

# Herald Tribune

INTERNATIONAL

Published With The New York Times and The Washington Post

**MONDAY SPORTS**  
A's Sweep Red Sox  
Mets Lead Dodgers, 2-1  
See Sports, Page 19

No. 32,853 41/88

PARIS, MONDAY, OCTOBER 10, 1988

ESTABLISHED 1887

## Yugoslavs Warned On Crisis

### President Says Emergency Laws May Be Imposed

**The Associated Press**  
BELGRADE — The Yugoslav president, Raif Dizdarevic, warned Sunday that emergency measures would be imposed throughout the country if ethnic and economic unrest did not cease immediately.

In a rare and hastily scheduled 30-minute address on national radio and television, he appealed to Yugoslavs to stay calm and promised changes in the country's Communist leadership. He also urged the government to undertake economic changes.

Recent nationalist rallies and worker protests "are seriously jeopardizing public order," Mr. Dizdarevic said.

"There is a real danger that the actions that are impending constitutional order could continue and spread," he said.

"These incidents are triggering the political situation in the country which, if it continues, could lead us to adopt emergency measures," he added.

He said Yugoslavia's collective nine-man state presidency had warned top Communist party units in the country's six republics to take measures to control the situation.

The presidency wants to use "democratic methods to find solutions to the current crisis," said Mr. Dizdarevic, who holds the annual rotating chairmanship of the nine-member collective body.

But he also made clear that the presidency, which has supreme command over the military, would use all constitutional methods at its disposal to ensure law and order.

"The institutions and organs of this country will do all that the constitution and the laws permit in order to protect public order and peace, personal security and property and the constitutional system," he said.

The warning came after weeks of mass protests fueled by ethnic and economic problems. Tension rose sharply after tens of thousands of protesters forced the mass resignation of a provincial Communist party leadership last Thursday and police used clubs and tear gas on

See UNREST, Page 5

## Kiosk

### Teammate Says Johnson Knew

**TORONTO (WP)** — Canada's top female sprinter, a close associate of the disgraced Canadian sprinter Ben Johnson, said in an interview published Sunday that he had been knowingly taking banned anabolic steroids for four years and urged him to stop denying it.

Angella Issajenko, and a teammate of Johnson's on the Mazda Optimist Track Club, was reported by the Toronto Star that she and Johnson had been given steroids since 1984 by the club's physician, Dr. George Astaphan.

Johnson was stripped of his Olympic gold medal and his 9.79-second world record in the 100-meter dash was erased from the books after testing positive for the muscle-building steroids.



Margaret Thatcher, opening London's Fashion Week, tailors her wardrobe to fit her image as Britain's prime minister. Page 5.

## General News

A British playwright and a French film maker recall the tragic bombing of Le Havre in 1944. Page 2.

Business/Finance  
Kawati said it would take steps to protect its British investments. Page 13.

Personal Investing  
Offshore funds did poorly in the third quarter as markets were hit by higher interest rates. Pages 7-12.



A tank patrolling the streets of Algiers on Sunday. Reports indicated that although the capital was quiet, unrest continued in other cities.

## More Than 100 Killed As Algerian Riots Spread

By Edward Cody  
Washington Post Service

**ALGIERS** — Soldiers backed by tanks and armored cars guarded key intersections in Algiers and provincial cities on Sunday to dampen anti-government riots that have taken a growing toll in lives and destruction since Tuesday.

Officials in President Chadli Benjedid's government, facing the country's broadest crisis since independence in 1962, called on Algerians to shun their protests against high prices and austerity.

The military vowed to crush demonstrations that continue to challenge a 10 P.M.-to-5 A.M. curfew and a ban on public gatherings.

Interior Minister El-Hadi Khediri, in a statement broadcast late Saturday night, said: "The Algerian state, I am telling you, my brothers, is determined to use all means to restore tranquility and security in the country."

Mr. Khediri spoke shortly after reports of violent confrontations in which soldiers opened fire on protesters in several Algiers neighborhoods and provincial cities.

According to accounts gathered from Algerian reporters, hospital workers and witnesses, the clashes Saturday night left several dozen people dead in Algiers and its suburbs. Other demonstrators were reported killed in the cities of Oran, Annaba, Blida and Tlemcen.

News agencies keeping tallies said the new violence brought to more than 100 the number of Algerians killed since rioting that broke out on Tuesday night in the capital

and spread through the week to half a dozen smaller cities. The Associated Press put the toll at up to 200 deaths.

Colonel Benjedid's government has reported deaths among security forces as well as protesters but has declined to issue an official estimate of the number killed. Colonel Benjedid scheduled a nationwide speech Monday evening, the official news agency APS announced.

Algerians residents said the economic situation had become so tight that many people questioned the government's ability to manage the country. Riots over the last several days have targeted government buildings for attack.

The capital was largely peaceful on Sunday, but was under a heavy military guard.

The military patrols closely checked Algerians entering the teeming Casbah and Bab el Oued neighborhoods. One patrol was seen following a group of young men carrying a body on a stretcher toward a local cemetery on the edge of the Casbah.

But the military and the police avoided cowering the populous quarters in force, apparently in an effort to avoid provoking angry youths.

"If they go in there, the people will kill them," a Casbah resident said.

Helicopters flew low over in Algiers, apparently to discourage crowds from gathering.

According to unofficial estimates, up to 40 percent of the Algerians work force is unemployed. Most of them are youths. Three-fourths of the country's 23 million inhabitants are under 30, according to official statistics.

In addition, primary and secondary schools have been ordered closed since a state of siege was declared last Thursday by Colonel Benjedid's government.

Several residents of the capital said economic desperation by these youths was the main cause of the violence. Older people, suffering from the austerity, expressed support for the outbreak.

One taxi driver complained, for example, that he, his wife and his three children all live in a single room smaller than his taxi.

Meat has risen to 110 dinars a kilogram (57.7 pounds), an Algiers resident complained, while salaries for government employees have remained frozen at about 2,000 dinars a month.

Colonel Benjedid has imposed a strict austerity program as part of his effort to rationalize the state-controlled economy and reduce subsidies.

## Latvia Rally Calls for New Freedoms

By David Remnick  
Washington Post Service

**RIGA, U.S.S.R.** — Thousands of Latvians, angered that they have become a minority in their own republic, started a mass movement on Sunday that will press Moscow for a degree of independence unheard of in the Soviet Union.

At a huge rally, church services and a two-day meeting, the newly formed Popular Front of Latvia made a series of extraordinary demands on the Soviet leadership, including economic self-determination, the right to veto mandates from the Kremlin and an end to atheist education in schools.

The three Baltic nations — Latvia, Lithuania, and Estonia — all have active popular front movements and have become a kind of avant-garde for the changes promoted by the Soviet leader, Mikhail S. Gorbachev. Even the Latvian Communist Party has acceded to some of the most pressing demands of activists in the republic.

For the first time in decades, Latvians were allowed to display their red and white national flag this week, and Latvian, not Russian, has been declared the official language of the republic. Many Russian speakers living in the republic have a poor grasp of Latvian, which is not a Slavic language, and face a big adjustment.

On Sunday morning, thousands attended a moving service at the Donski Cathedral, which the Soviets had long ago declared a concert hall. At the service, which was broadcast throughout the republic on television and radio, people sang the old independence hymn, "God bless Latvia."

Just before the conference began, 150,000 people met at the city's stadium to support the Popular Front. During the two days of the meeting, people on the streets of Riga have carried around portraits of a specimen fine enough to attract the backing of a large cereal producer, the Société Ringot, in 1977. Today, under the leadership of a farmer named Dominique Dequidt, six growers have formed a group devoted to the rite, meeting for tastings every four or five days and exchanging confidences on the heights to which this remarkable fruit is a prey.

La Ratie du Touquet is not ordinary potato; dainty and small, it should be harvested manually and the growers are fiends for quality control and size.

"People buying a ratie expect top quality, it is like going to the haute couture," the PR lady says. La Ratie du Touquet is marketed in pretty little string bags containing a kilo. Each kilo sells for

between 10 and 13 francs, three times the price of some breeds, but the *potomme de terre snob* is no common or garden potato.

"When you have dinner guests you bring out an exceptional wine," Dominique Dequidt says. "Your potatoes, too, should be out of the ordinary."

La Ratie du Touquet can be cooked without being peeled and is said to have a slight hazelnut taste and every imaginable virtue. The great chefs of France are at this moment turning out recipes, at a fee of 30,000 francs each, to help launch the potato. The current trend is to invent ways of using it in desserts.

There is only one way in which the *potomme de terre snob* cannot be cooked: it cannot be used for making the popular french fry.

As for its awful, if historic, ome, there's nothing much to do about that, and probably early pickle is so more attractive. By insisting on the

See RATIE, Page 4

## World Views of Bush and Dukakis: Outlook From 2 Camps

In January, a new American president will take office, bringing with him new foreign policy priorities and initiatives. What will they be? In separate interviews, Richard N. Haass, a lecturer at Harvard University who is a foreign and defense policy adviser to the campaign of Vice President George Bush, and Joseph S. Nye, Jr., a Harvard professor who has advised Governor Michael S. Dukakis, each spoke of his candidate's international outlook with *Herald Tribune*.

Q. Are there fundamental differences in the foreign policies that would be pursued by a Bush or a Dukakis administration?

HAASS: Bush is a realist, inclined to see the world as a competitive place. He wants to take the initiative in protecting American interests. Dukakis sees the world as potentially a much more cooperative place and actually sees too much American activism as an impediment to a much more cooperative world. Bush intends to continue

and developing stronger multilateral institutions and initiatives. I haven't heard much of this from Bush.

Q. Have international issues impacted on the campaign enough to influence a new administration?

HAASS: Without an overriding crisis now, public perception of the candidates' general tendencies has become significant. Bush represents continuity and commitment to maintaining U.S. leadership and strength. Dukakis represents potential for greater change and could downgrade the use of force and American primacy.

Q. Does either have compelling concerns that could color his presidency the way human rights did President Jimmy Carter's or Central America has President Reagan's?

HAASS: I don't think temperamentally George Bush is an ideological man prone to selecting an issue for special attention. He sees things as being in fairly good shape, without any explicit need to form new grand strategies. I do think that a Bush administration would put greater diplomatic focus on Eastern Europe, encouraging the opportunities that have emerged there for greater freedom and some distancing from the Soviet Union.

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## Dukakis Hardens Tone On U.S. Trade Policy

By Stuart Auerbach  
Washington Post Service

**WASHINGTON** — For weeks, campaign advisers pressed Michael S. Dukakis, the Democratic presidential nominee, to get tough on trade.

They urged him to attack growing foreign investment in the United States and barriers to U.S. exports abroad, citing polls that showed these to be important issues among the blue-collar voters in the industrial Middle West who are vital to the Massachusetts governor's election.

Mr. Dukakis had flirted with these populist themes of economic nationalism, but always avoided making them a central focus of his campaign.

Last week, he changed course. Losing ground in polls in the key industrial states, Mr. Dukakis jumped on the populist bandwagon. In a speech in St. Louis on Friday, he made a slashing attack on the fiscal policies of the Reagan administration, which he said had encouraged foreign ownership in the United States. He mocked the Republican vice presidential candidate, Senator Dan Quayle, for say-

ing that foreign investment produces jobs for Americans.

Mr. Dukakis also issued a 10-point position paper on trade on "making America No. 1 in the world" and warning foreign governments that they could expect harsh, swift retaliation for unfair trade actions.

In the policy statement, released by his campaign, Mr. Dukakis said he would insist on reciprocity from trading partners such as West Germany, Japan, South Korea and Brazil, which he said currently restrict U.S. imports while they "flood" the United States with their products.

The statement, implicitly threatening retaliation, said: "Mike Dukakis will use the full powers of the presidency to restore America's pre-eminence in world trade."

Mr. Dukakis' tougher stance has moved him far apart from the Republican candidate, Vice President George Bush, on the issue, indicating that a Dukakis victory could bring about a major change in U.S. trade policy. Whichever candidate

See TRADE, Page 4



PAPAL VISIT TO ALSACE — Pope John Paul II holding the head of a blind boy Sunday at a Strasbourg braille center. Earlier, the pontiff decried a decline in morals in Europe. Page 2.

## After Setback, Sicily Mafia Rebounds With Terror

By Roberto Suro  
New York Times Service

**PALERMO, Sicily** — The Sicilian Mafia is on the offensive again. Having survived a judicial crackdown, resurgent criminal families are conducting a campaign of terror against the state while striking underworld rivals in a series of daylight killings.

Eighteen people have been slain in the last two weeks in attacks linked to the Mafia. The mounting crime wave that comes after three years of relative peace caught the state just as it was anxiously trying

to repair divisions and weaknesses in its anti-Mafia forces.

The Mafia offensive and the government's disarray alarm both Italian and American officials, who say they suspect that the Mafia's heroin trade to the New York area is passing unimpeded through new conduits and that Sicilian drug traffickers are forming a potentially dangerous alliance with the cocaine magnates of Colombia.

"This is a very decisive and dangerous moment in terms of the Mafia's ability to intimidate the state and the state's ability to respond," said Giusto Sciaochitano, an investigating magistrate.

The sudden outbreak comes just 10 months after a jury convicted 338 people of Mafia crimes in a mass trial in Palermo. This triumph of law enforcement was followed by public feuding among magistrates over prosecuting tactics, which reached a climax last month amid allegations that the anti-Mafia effort was hindered by inefficiency and ill will.

Judge Pietro Grasso, who helped preside over the mass trial, said, "I find this city the same as before, the same dead, massacred people on the streets."

At the Palace of the Eagles, the city hall, the windows in some of the baroque salons were fitted with thick bullet-proof glass last week.

And in the garden of a Jesuit study center that is home to priests who lead a prominent citizens' group, young policemen armed with submachine guns began hunkering among the jasmine vines.

Those killed in the last two weeks include a retired prosecutor and an anti-drug campaigner as well as people convicted of having Mafia links.

But one crime in particular has convinced the police that the Mafia is once again taking aim at the public figures who dare oppose it. The killing on Sept. 25 of Judge Antonio Setta, a senior appellate court judge in Palermo, violated what had been considered a Sicilian taboo. The Mafia had never killed a sitting judge before.

At the funeral, Archbishop Luigi Bommarito of Catania looked down from his pulpit at the assembled dignitaries and asked, "Mr. Setta, how did you die?"

See MAFIA, Page 5

## Potato of Snobs, Dainty and Newly Chic, Captivates Paris

By Mary Blume  
International Herald Tribune

**PARIS** — At this crucial moment the fashions for the coming season in Paris are being determined and with luck we shall never see again the extremes of 1986, when everyone was wearing bubble skirts and drinking a vile blue cocktail based on an excess of curacao.

Today's fashions, more earthy, seem to require wearing a Saint Laurent-style bunch of grapes at the shoulder and eating *la ratie*. *La ratie* is not at all what you might think. It is a potato. Only in France can a potato be à la mode and have its own public relations consultant.

"We always present it as the queen of potatoes, the *potomme de terre snob*," says the PR woman, Catherine Dufay. *La ratie* is just coming into stores now and will be at its best through mid-March, after which one gives a fig for potatoes anyway. "I often introduce journalists to *la ratie*," its PR woman says, "and they are delighted." The first journalist to be delighted was from

and the Rosa. Although there are 1,200 sorts of potatoes, he notes, only 43 are known in France. The potato came late to France, aided by public relations and fashion. Its great promoter was Antoine Auguste Parmentier, a military pharmacist who urged that potatoes be eaten during the famine of 1770. Parmentier also made the potato à la mode by giving blossoms to Louis XVI, who wore them in his buttonhole (Marie Antoinette twisted hers in her hair).

Some 20 years after Nestor de la Boutellière failed to mention the ratie, Martine Jolly, in a book called "Monsieur Parmentier" (1985), described it as "an exquisite potato, a queen endowed with all the virtues." The book came out just as the chef Joël Robuchon was making Parisians' tongues wag and palates salivate with his remarkable revisionist version of mashed potatoes.

According to *la ratie*'s press agent, Robuchon has declared it the champion potato and at a tasting awarded it a record four stars. He is said to use the ratie exclusively for his sublime *purée de*

potatoes, although his 1986 cookbook does not have a public relations rep.

The revival of *la ratie* began slowly in 1982 when a farmer near Le Touquet, in the north of France, found that the potato flourished in his sandy soil. He began research to improve breeding and emerged with a specimen fine enough to attract the backing of a large cereal producer, the Société Ringot, in 1977. Today, under the leadership of a farmer named Dominique Dequidt, six growers have formed a group devoted to the rite, meeting for tastings every four or five days and exchanging confidences on the heights to which this remarkable fruit is a prey.

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See RATIE, Page 4

## Pact in Gulf? Iraq Rebutts Iran's 'Yes'

By Patrick E. Tyler  
Washington Post Service

**CAIRO** — Hopes for a breakthrough in Gulf War peace negotiations have apparently faltered.

The hopes were raised when Iran's foreign minister declared that his country had reached an agreement "in principle" with Iraq on a timetable to disengage forces in the eight-year-old war. But the remark was immediately disputed by senior Iraqi officials.

The Iranian foreign minister, Ali Akbar Velayati, said Saturday that the two sides had agreed to set a schedule for troop withdrawal and repatriation of prisoners.

Iraqi Foreign Ministry officials challenged Mr. Velayati's statement, saying the talks remained deadlocked over Iraq's demand that Iran and the United Nations guarantee efforts to reopen the Shatt-al-Arab waterway, which provides Iraq access to the sea.

Io Baghdad, the Foreign Ministry undersecretary, Nizar Hamdani, said the latest round of talks in New York had ended "with the Iranian side's position still unchanged toward the necessary mea-

See GULF, Page 5



# Two Quests for Redress Over a French Port's War Ordeal

By Barry James  
International Herald Tribune

LE HAVRE, France — Le Havre is the World War II tragedy the world forgot, but a new French movie and a British playwright are bringing it back to mind.

Few recall that 44 years ago, British aircraft destroyed the city with the same kind of carpet-bombing technique that eliminated Dresden and other enemy cities. The difference was that Le Havre was not an enemy city.

"Everywhere, Le Havre has been forgotten," said Christian Zarifian, a local film maker whose movie about the city, "Table Rase" — from the Latin phrase tabula rasa, meaning something existing in its original pristine state — has been showing in local theaters after earlier appearances on French and Soviet television.

"You never hear about what happened here," Mr. Zarifian said. "I look in the most voluminous books about the war and the liberation in France and there are two lines on Le Havre — two lines maximum. Yet, there are pages written about other cities that never suffered such a martyrdom."

For two hours on the evening of Sept. 5, 1944, waves of heavy British bombers pounded the historic center of Le Havre with high-explosive and incendiary bombs, touching off a firestorm that consumed virtually every building in the target area but left its German defenders virtually unscathed in their hilltop bunkers.

The British playwright William Douglas-Home, brother of the former prime minister, Sir Alec Douglas-Home, refused to take part in an armored attack on the city, citing the Germans' offer to evacuate all civilians. He is now asking that his conviction for disobedience be quashed on the ground that he was given an unreasonable order.

In a typewritten report the morning after the raid, Le Havre's police chief wrote, "I couldn't say how many bombs were dropped. I couldn't say how many civilians will never be known with certainty. A rough estimate at the time put the total at about 3,000."

With the Battle of Normandy almost over and Paris freed, the people of Le Havre had been expecting liberation.

There has never been an official explanation for the bombing. More than two-thirds of the city's population of about 150,000 had been evacuated. The German commander asked for three days to send out the rest.

The British turned him down — perhaps, it has been widely speculated, thinking that this would put more pressure on him to surrender — then waited for four days before bombing the city. Field Marshal Montgomery, the British commander, was believed to have wanted a major port at all costs — and quickly — to bring in supplies for the push on Berlin.

The Germans fought tenaciously for another week after the bombing. It cost the British 400 soldiers to take the city, and most of the quays were destroyed.

Mr. Douglas-Home, who was a captain and liaison officer with the British tanks outside Le Havre that September, thought the order to attack a friendly civilian population was "quite unnecessary," according to a letter he wrote at the time to his parents. "It's purely to allow some politician to say all of France is liberated," he wrote.

He wrote in a similar vein to a local newspaper in England.

As a result, he was court-martialed for disobedience and spent the next year sewing mail sacks and working in a prison quarry.

When Kurt Waldheim, now the Austrian president, came under fire in recent years for following orders too blindly when he was a German Army officer in the Balkans during the war, Mr. Douglas-Home sent a note to his lawyer, pointing out that he had been condemned for doing precisely the opposite.

Mr. Douglas-Home's lawyer is trying to get the court-martial verdict quashed. So far, the British Defense Ministry has refused to reopen the case, saying it all happened too long ago. Mr. Douglas-Home, in a telephone interview from his home in England, called its reaction "an interesting exercise considering our attitude toward Mr. Waldheim's actions."

He considers the affair a matter of honor. The fact that he was stripped of his rank, humiliatingly, still rankles. "That was the nasty bit," he said. "I mean, they cut off your epaulettes. It was a bit depressing."

The bombing "was an enormous blunder," Mr. Zarifian said. "After the war, people tried to understand why. They sent delegations and letters but were met everywhere by an embarrassed silence. The French government was embarrassed. The British government was embarrassed. Nobody wanted to talk about it. There was a French parliamentary inquiry, but the findings were never published."

Finally, Mr. Zarifian said, the people of Le Havre realized that no one wanted to be reminded of their pain, "so they bottled it up."



For William Douglas-Home, who wants his court-martial quashed, the affair is a matter of honor.

Mr. Zarifian said he got the idea for the movie when he was talking with a friend who returned to Le Havre as a child after the war.

"He told me almost in tears that he felt as though he was an exile in his own town," Mr. Zarifian said. "That is perhaps the worst of exiles, because something has been taken away from you and you can't see it again. If you leave Africa, you can at least imagine that your village continues to exist and you have the hope of seeing it again. I am of Armenian origin, and this question of exile obviously preoccupies me a great deal."

Alain Le Métyer, a cultural official for the city, said: "People have never completely come to terms with the new Le Havre. The whole urban symbolism has changed since the war. The sailors that used to crowd the streets are gone. The trans-Atlantic liners are gone, and with them the glamour."

It used to be, by all accounts, a raffish, colorful kind of place, known to generations of emigrants who passed through on their way to the New World. Dufy painted many of his best works here. Monet's "Impression: Sunrise," the painting that inspired the name of the Impressionist movement (and which was stolen from the Marmottan Museum in Paris three years ago and never found), was done from the heart of the bombed area.

The rubble of Le Havre was bulldozed flat, and the neo-classical architect Auguste Perret was called in to build a new city six feet (two meters) above the ruins of the old.

It was considered an architectural showcase. But Mr. Perret chose the best vista for passengers arriving by sea, which does not count for much now that the ships go to a characteristic container port along the coast to unload. And his chosen medium, reinforced concrete, has weathered with a gloomy patina under the storm-chased channel skies.

Fast and present combine to mark Le Havre with "a kind of blues," Mr. Zarifian said.

## WORLD BRIEFS

### 3 Parties Ally for Pakistani Elections

ISLAMABAD, Pakistan (Reuters) — The former prime minister, Mohammed Khan Junejo, has announced the formation of a three-party alliance to contest next month's general election in Pakistan. Mr. Junejo said Saturday that his Pakistan Muslim League was joining forces with the Tehrik-i-Insaf party of the former air force chief, Asghar Khan, and Jamiat-ul-Ulema-e-Pakistan, an Islamic party. He said the new coalition, called the Pakistan Awami Ittehad, or Pakistan People's Alliance, would present joint candidates and form a coalition government if they won the elections.

A new National Assembly, or lower house of Parliament, will be elected in voting on Nov. 16, followed by the election of four provincial assemblies on Nov. 19.

### Israeli Troops Kill 3 Palestinians

JERUSALEM (AP) — Three Palestinians were shot and killed as Israeli army units hunted down agitators in 30 villages Sunday, and businesses shut across the occupied territories in a strike marking 10 months of rebellion against Israeli rule.

Israeli troops shot and wounded at least 22 other Palestinians in clashes, Arab hospital officials said. Most of the casualties were reported in West Bank villages, where most of the raids were carried out. Dozens of Palestinians were arrested, witnesses said. They said troops removed rock and barrel roadblocks and ordered anti-Israeli slogans washed from village walls.

A military official said the army sweep was "part of our effort to use different tactics" to try to restore order in the occupied West Bank and Gaza Strip.

### Iraq Backs Beirut Christian Cabinet

BEIRUT (AP) — Iraq has announced support for the Christian-led cabinet of Lebanon's two rival governments, but the Syrian-backed Muslim cabinet has rejected the recognition as unacceptable interference in Lebanon's domestic affairs.

The Iraqi deputy prime minister, Taha Yassin Ramadan, was quoted by the Kuwaiti daily Al Anba on Saturday as saying that Baghdad considers the Christian-led cabinet of Major General Michel Aoun to be Lebanon's legitimate government and that the cabinet of Salim Hoss, a Sunni Muslim, "lacks validity." General Aoun was appointed on Sept. 22 by President Amin Gemayel as his term expired.

On Sunday, an unidentified source in the Hoss cabinet said, in a statement broadcast by Beirut's Muslim-controlled radio stations: "The remarks of Taha Yassin Ramadan regarding the governmental situation in Lebanon are surprising, deplorable and unacceptable. What is surprising is that he is calling for noninterference in Lebanese affairs while he allows himself to take a stand against Lebanon's legal cabinet."

## LATVIA: Mass Rally in Riga Calls for Greater Freedom from Moscow

(Continued from page 1)

ble radios to follow every minute of the proceedings.

The conference had the raucous feel of a town meeting. It was frenzied, full of shouted political battles on everything from niggling procedural questions to the emotional issue of secession from the U.S.S.R.

The changes proposed by the Popular Front would, if they were ever enacted, make Latvia nearly unrecognizable as a part of the Soviet Union. The front's program includes an independent legal system, an independent mass media, the elimination of privileges for government members, representation of the republic at everything from the United Nations to the Olympic Games, and even a separate currency.

Many of the demands echoed those adopted by the founding congress of the Estonian Popular

Front last weekend and the proposed platform of the Lithuanian Popular Front, which will hold its inaugural meeting in two weeks. But the issue of national identity is particularly sensitive in Latvia where, unlike either Estonia or Lithuania, the indigenous population is now in a minority.

Many speakers were especially adamant that the migration of Russians into the republic be halted and Latvians no longer be subjugated to a Soviet culture. "And if discrimination against us is not eliminated," said one of the more radical speakers, a musician, Imants Kalnins, "then we have to think about separating from the Soviet Union."

As Janis Peters, the popular leader of the Latvian Writers' Union explained, the front wants Latvia to be a part of the Soviet Union only in so far as it shares a common foreign policy and mili-

tary. "That was the Leninist ideal," he said, "and we will try to draw as close to that ideal as we can."

Latvia, with a population of 2.2 million, has one of the highest living standards in the Soviet Union. In Riga, people appear better dressed and the buildings are in better repair even than in Moscow, the showcase of the Russian republic. Ever since Latvia became part of the Soviet Union in 1940, Russians have come here in search of jobs, especially in industry.

Latvians also complain that the influx of Russians has imperiled the Latvian currency.

When Mr. Gorbachev came to power in 1985, some Latvian intellectuals, such as Janis Rukshans, began testing the limits of open debate. Writing in an obscure agricultural journal, "Garden and Beekeeping," Mr. Rukshans slowly began introducing some of the

ideas that are now being pressed by the Popular Front.

The most popular politician here is Anatoli Gorbunov, a young, well-spoken, exquisitely groomed figure who would not seem out of place in the dining room of the U.S. State. Latvians had hoped last week that he would be made the republic's First Secretary of the Communist Party, the most powerful position in Latvia.

Instead, the Central Committee of the republic voted, 106 to 13, to elect an older, more conservative candidate, Janis Vagris. The difference in popularity was immediately evident at the mass rally in Riga on Friday night: the crowd barely applauded Mr. Vagris, who is not a member of the Popular Front, while it gave a standing ovation to Mr. Gorbunov, who is.

In interviews, the contrast between the two men was clear. While Mr. Vagris was hesitant about some points of the Popular Front program and cautioned the 1,983 mainly Latvian delegates about overlooking the needs of the Russian population, Mr. Gorbunov praised the group's radicalism. In some cases, Mr. Gorbunov said, "only the ideas of the radical avant-garde can lead us out of our problems."

He also said that Europeans have "unequally shared material goods that are more abundant than for many others in the world."

## In Alsace, Pope Decries Fall in Europe's Morals

Compiled by Our Staff From Dispatches

STRASBOURG, France — Pope John Paul II opened a ringing attack on moral decline in Europe on Sunday, saying the Roman Catholic Church's teachings had been rejected in the name of liberty. He also denounced anti-Semitism and racism.

On the second day of his four-day tour of France and European Community institutions, he told 40,000 people at a Mass in Strasbourg.

"In Europe, a Christian conviction, the sense of morality is weakening. The very word 'commandment' is often rejected. In the name of liberty, the rules are rejected, the moral teaching of the church is ignored."

"He expends much of his strength to increase it," he said. "He also has sensual riches and too often turns away from God and from his neighbor to satisfy the desires that imprison him. He remains deaf to the wisdom of God."

He also said that Europeans have "unequally shared material goods that are more abundant than for many others in the world."

## Lambsdorff Makes Party Comeback

WIESBADEN, West Germany (NYT) — Otto Lambsdorff, the eloquent and abrasive former economics minister who left the cabinet four years ago in a political pay-off scandal, has concluded a triumphant comeback by winning election as chairman of the Free Democratic Party, the small but influential liberal member of the West German governing coalition.

At the party's annual convention on Saturday, Mr. Lambsdorff, 61, was announced the narrow winner — 211 to 187 votes, with two abstentions — over Ingrid Astens-Schwesiger, 46, a state secretary in the Foreign Ministry. A party chairman, Mr. Lambsdorff succeeds Martin Bangemann, who is leaving Bonn to take up a post as a commissioner, or governing board member, of the European Community in Brussels.


## Pravda Against Razing of Chernobyl

MOSCOW (Reuters) — The authority in charge of the evacuation zone around the site of the world's worst nuclear accident wants to raze the 800-year-old town of Chernobyl, Pravda said in a highly critical article.

The Communist Party newspaper said in its Saturday edition that the plans to demolish the town were made too hastily and called for them to be reconsidered. The plans were made behind closed doors by a special group set up by the Ministry of Atomic Power with authority over the evacuation zone, Pravda said.

It said 994 people, mostly elderly, had dodged roadblocks and returned to live in villages surrounding Chernobyl since the 1986 explosion at the nearby nuclear power plant. Pravda said that while the ministry group declined to acknowledge the existence of these people, local authorities had sent them food and other supplies.

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## As Pretoria Cuts Support to Rebels, Angola Regulars Recapture Towns

By James Brooke  
New York Times Service

LUANDA, Angola — Since South Africa's troop pullout from Angola a few weeks ago, Angola's forces have recaptured a string of rebel towns, including the birthplace of Jonas Savimbi, the rebel leader.

Until their withdrawal on Sept. 1, South African units bolstered the defenses of Mr. Savimbi's guerrilla force, the National Union for the Total Independence of Angola, or UNITA.

The fighting, largely in central Angola along the Benguela Railroad, has been fierce.

In the fight for Mr. Savimbi's native village of Munhango, government troops confronted nine rebel battalions, killing 1,300 defenders, Angola's chief of military intelligence, Lieutenant Colonel Mario Placido Cirilo de Sa, said in an interview last week. The village fell Sept. 13.

The guerrillas lost 74 vehicles and 650 weapons and 3,000 land mines were deactivated, government officials say. Government losses were put at 50 dead and 294 wounded.

Munhango is a small, shell-blasted railroad station, but its loss represents a significant strategic and propaganda blow to Mr. Savimbi.

Earlier in the year, to show the spreading extent of rebel control, the guerrillas had taken reporters to the town, about 800 kilometers (500 miles) by truck from Jamba. Mr. Savimbi's bush headquarters above the South-West Africa border.

"Munhango is only half a dozen railroad cars, some roofless houses, and a destroyed railroad station, but it's far more important than that," the intelligence officer said.

The region around the village served as a major arms depot and supply route to guerrilla units in central and northern Angola, he said.

By recapturing Munhango and several other towns on the rail line, the Angolan military cut easy access to the north.

South Africa, the rebels' major supplier, sends weapons across Angola's southern border with South-West Africa, also known as Namibia, a territory administered by South Africa.

The United States, the rebels' other major supplier, is believed to ship weapons through Zaire.

To send U.S. weapons through South Africa would violate an arms embargo of South Africa.

"Unita members and arms are continuing to cross the border from Zaire," Angola's president, José

Eduardo dos Santos, said in an interview last week.

Zaire's officials deny allowing transshipments.

The intelligence officer said that he had received reports that guerrillas last week carried arms into Angola near Songololo, Zaire.

The offensive to seize the Benguela Railroad towns began in late July, but the actual attacks started as South Africa began withdrawing from southern Angola, after a cease-fire declared Aug. 8 by South Africa, Angola, and Angola's ally, Cuba.

Negotiators have been meeting under U.S. mediation to discuss a wider peace plan that would trade independence for South-West Africa for withdrawing Cuba's 50,000 troops in Angola.

The rebels are not covered by the cease-fire, nor are they taking part in the peace talks.

## TRAVEL UPDATE

### Eiffel Tower Employees Go on Strike

PARIS (UPI) — Dozens of tourists were disappointed Sunday after finding elevators to the top of the Eiffel Tower closed because of a strike by about 30 tower employees.

Elevator operators and cashiers at the 300-meter-high (1,000-foot-high) tower walked off the job on Saturday, vowing to keep the tower closed until they received a 5 percent to 6 percent pay increase and better working conditions.

A union spokesman said negotiations with management began Sunday. According to a union representative, the average salary of tower employees is about the French minimum wage of 28.67 francs (\$4.51) per hour, not including benefits.

Employees of the Athens subway system stopped work for eight hours for the second Sunday in a row to protest fighting among fans after soccer games, officials said.

Italian pilots, air traffic controllers and stewards held a six-hour strike on Saturday, disrupting Alitalia flights but failing to halt those of foreign airlines, Rome airport officials said. The unions have called a 24-hour strike for Oct. 20.

Rome police said they arrested 24 suspected pickpockets and drug-pushers in a sweep on Saturday at the Termini train station. (Reuters)

**This Week's Holidays**  
Banking and government offices will be closed or services curtailed in the following countries and their dependencies this week because of national and religious holidays:

MONDAY: Argentina, Canada, Cuba, Fiji, Guam, Japan, Namibia, South Africa, Taiwan, United States.  
TUESDAY: Panama.  
WEDNESDAY: Bahamas, Belize, Brazil, Chile, Colombia, Costa Rica, Ecuador, El Salvador, Equatorial Guinea, Guatemala, Honduras, Mexico, Paraguay, Puerto Rico, Spain, Uruguay, Venezuela.  
FRIDAY: Maldives, South Yemen, Zaire.  
SATURDAY: Maldives, Tunisia.

Source: Morgan Guaranty Trust Co., Reuters.

## Pretoria Sees Link in Attacks to Election

By William Claiborne  
Washington Post Service

JOHANNESBURG — A wave of bombings and other terrorist attacks in cities throughout South Africa in the last several weeks is aimed at disrupting nationwide municipal elections on Oct. 26 and intimidating black candidates from running for township offices, according to senior police officials.

In September there were 30 bombings throughout the country, the police reported. Although not all were directly related to the elections, the authorities said the outlawed African National Congress had started a campaign of attacks in an effort to intimidate candidates and voters.

The ANC is the largest guerrilla group fighting the white-minority government and its policies of apartheid.

To counter the attacks, the Ministry of Law and Order has offered rewards of about \$2,000 for information leading to the arrest of infiltrating ANC guerrillas, and has tightened security along the frontiers with Botswana, Zimbabwe and Mozambique. A ministry spokesman said the police had captured 20 insurgents and killed four. But the attacks and a call for an

election boycott issued by the headquarters of the ANC in Lusaka, Zambia, appear to have had a degree of success.

Nearly a third of the 678 seats for black township council members in Transvaal Province will be uncontested. In three townships, including the huge Tembisa Township north of Johannesburg, not enough nominations were received to make up a council quorum, said John Mavuso, a member of the provincial administration.

Moreover, Mr. Mavuso said, there will be no elections in Alexandra Township outside Johannesburg and in several other segregated black communities because none of the council seats is being contested.

Anti-apartheid groups have accused blacks who participate in such elections of collaborating with the government, which denies the country's black majority any political power.

The municipal buildings of Tembisa and Alexandra were targets of limpet-mine bombings last week, which police blamed on the ANC. Six persons, all of them blacks, were injured in the explosion in Tembisa.

In Soweto, the country's largest black township, two council candidates of the moderate Sofasonke Party were killed. They were David Nkomo, who was gunned down at his home on Aug. 27, and Robert Radebe, who was killed at his home in February.

Several other black, mixed-race and Indian candidates were also attacked in their communities after announcing their intentions to run, the authorities said.

The government says it is counting heavily on the success of the township elections to clear the way for planned regional elections of black representatives who would serve on a proposed national council. The council would negotiate constitutional changes for limited power-sharing at the central government level.

So far, no blacks with wide support have offered to serve on the proposed council.

**7 Blacks Killed in Natal**  
The police said Sunday that seven blacks were killed in political violence in Natal Province, Reuters reported from Johannesburg. Five black men died and one was wounded in clashes between rival

### Bolivian General Fired in Smuggling of Drugs

The Associated Press

LA PAZ — A general and four other officers have been dismissed for allowing cocaine worth \$10 million to be smuggled out of Bolivia, the military high command said.

The dishonorable discharges were announced Saturday, a day after officials reported the discovery and destruction of a jungle cocaine laboratory that produced tens of millions of dollars worth of drugs.

Former General Gustavo Arrazola and four unidentified officers were accused of protecting a clandestine airstrip in the Chaparé coca-leaf producing region. The high command said nearly four tons of cocaine paste — worth at least \$10 million — had been smuggled out by way of the airstrip.

**AMERICA TOPICS**

Congress May Deal Alcohol Warnings

Short Takes

Unity of

Leftists C To Force

Herald

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WORLD BRIEFS

Ally for Pakistani Election... Pakistan (Reuters) — The former...

ops Kill 3 Palestinian... Three Palestinian... killed...

Beirut Christian Cabinet... Beirut has announced...

Makes Party Comeback... Germany's... party...

ist Razing of Chernobyl... The... razing...

EL UPDATE... employees...

Election... The...

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AMERICAN TOPICS

Congress May Order Alcohol Warnings

Congress appears ready to require warning labels on all alcoholic beverages...

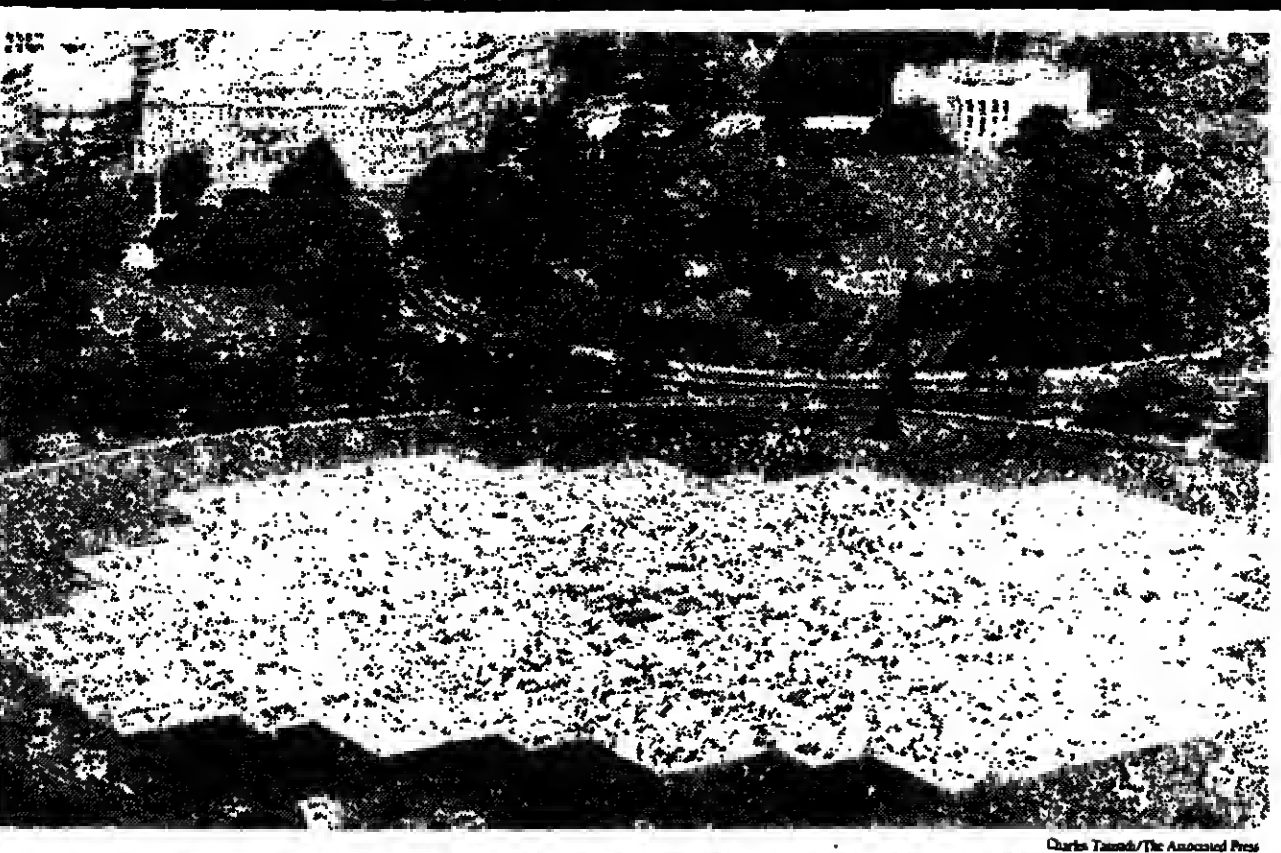
Alcohol contributes to more than half of all American highway fatalities...

A version of the labeling legislation has passed the Senate...

The Senate's proposed warning label, similar in style to the notices on cigarette packs...

Short Takes

Match sport was made of a U.S. stamp that showed a July 26, 1788, date for New York...



PATCHING TOGETHER A TRIBUTE — The AIDS Quilt, a memorial to American victims of the disease, spread across the Ellipse in Washington...

ly in existence at the time of ratification. Thus, Connecticut's stamp, dated Jan. 9, 1788...

adapt to American culture when a friend of mine who had just arrived from Taiwan asked me why I had just winked at him."

hopes, a former White House official said. "Nancy must be wearing black."

connected with light rum, Massachusetts cranberry juice, orange juice and raspberry liqueur...

Learning English was relatively easy for Edward Chang, who was born in Taiwan...

Notes About People President Ronald Reagan congratulated United Nations peacekeepers...

Barry Goldwater, the former Arizona senator and 1964 Republican presidential candidate...

When Daniel J. Boorstin, the Librarian of Congress emeritus, asked the new U.S. poet laureate...

Two Washington bars have introduced a brace of new cocktails: the "veep," made with tequila...

Arthur Higbee

Reactor Shutdown May Harm Nuclear Readiness, U.S. Says

By Keith Schneider and Michael R. Gordon

WASHINGTON — Nuclear reactors at the Savannah River Plant, which have been shut down since August for safety reasons...

but those plans are under "intensive review."

Other officials said political pressure and a new Energy Department emphasis on safety could delay the restart of the reactors for a long period.

Government officials and critics differ over whether the shortage of tritium represents an immediate threat to national security.

But other arms control experts say the United States does not need all the weapons in the stockpile.

Producing adequate amounts of tritium in the old and brittle reactors at the Savannah River Plant will remain a severe problem until after the turn of the century...

"In the current spotlight, it is going to be difficult to keep the old Savannah River reactors going for a decade, even if we don't run into any life-limiting problems," Mr.

Wade said, referring to possible technical problems that could permanently close the reactors.

The Energy Department is considering these options: Resurching the use of civilian reactors to produce tritium for military ends...

A crash effort to convert two reactors at the government's Hanford Reservation in Washington State to produce tritium.

An administration official estimated that under the treaty's proposed provisions, 3,000 to 4,000 U.S. weapons would be eliminated over seven years.

Mr. Barker, assistant to the secretary of defense for atomic energy, said, "If we don't, there will be very serious consequences for our ability to maintain our nuclear deterrent."

"To have these reactors not operational is tantamount to unilateral nuclear disarmament," said Mr. Barker.

The primary concern, officials said, is the production of tritium, a radioactive gas that boosts the explosive power of nuclear weapons and has enabled weapon designers to shrink the size of warheads.

But tritium, like slowly melting ice, decays at the rate of 5.5 percent annually. At some point — exactly when is secret — enough tritium decays to render the weapon inoperative.

Thus, the government maintains a program to replace tritium in warheads. The three reactors at the Savannah River Plant are the only ones in the nation that manufacture tritium.

The two-month suspension is the longest the nation has gone without being able to operate its weapon production reactors since 1944. It has been disclosed this month that up to 30 significant mishaps occurred at the installation during the past three decades.

The government maintains a reserve of the gas. But three officials, who declined to be identified, said that if the reactors at the Savannah River Plant are not activated soon, the reserve of tritium would be exhausted by next summer.

It is not known how long the three reactors at the Savannah River Plant will be out of service. Troy E. Wade, acting assistant secretary of energy for defense programs, said he would like to restart one of the reactors within 30 to 45 days.

Unity of Chilean Opposition Facing Severe Testing

By Shirley Christian

SANTIAGO — After turning out General Augusto Pinochet in last week's plebiscite, Chileans may face a more difficult task: sorting through the diverse political options and finding the next president.

The problem is dramatized in a two-page chart tracing the history of Chilean political parties that has been studied a lot recently.

There are 128 parties and independent factions listed, covering just the period since 1964.

Today, there are at least two dozen parties, ranging from rightist nationalists through free-market rightists, traditional conservatives, Christian Democrats, Humanists, several kinds of radicals and socialists, and the Communists.

While the main opposition command of 16 parties presented a remarkably united face against General Pinochet in recent months, ideological diversity and personal ambitions will severely test that unity in the coming months.

By contrast, General Pinochet was being described in political circles as the man who won the silver medal, even while losing the plebiscite.

Seeking a new eight-year term, he received 43 percent of the vote, far more than countless opposition polls had indicated. Of the 7.2 million votes cast, he would have needed about 420,000 more to win.

That may be a sizable gap in a normal election, but the candidate in this case was a man who has been in power 15 years and whose government is responsible for political killings, disappearances and torture.

He is still very much in charge, has said he intends to remain for as long as the constitution permits, and could remain an important political force.

Having lost the plebiscite, he is required by his own rules for transition to hold open presidential elections in December 1989 and turn over the presidency to the winner on March 11, 1990.

The constitution allows him to continue as commander in chief of the army for four or eight more years; the exact time is open to interpretation.

Also unclear is whether the constitution allows him to be a candidate in the December 1989 elections. Chileans are known for reading all the fine print in any document, and many of them are now analyzing if he can legally run.

transition. Someone may find a legal loophole in them that would permit him to run in the open election, should he choose to do so.

There was probably an element of intimidation in some of the votes for General Pinochet, particularly in small towns and rural areas, but Chileans in general seem to have cast off their fears in recent weeks.

At the same time, many of those people who freely voted for General Pinochet were not real fans of his but had greater fear of his foes.

The Christian Democratic Party, the dominant force in the 16-party Command for the Nin, has been trying to put together a somewhat smaller number of parties that would unite behind one candidate.

It is trying to gather in parties from its right and left sides but has so far had only limited success.

It most wants to bring in the moderate Socialist faction, led by Ricardo Lagos, and a splinter of the old center-right National Party that opposed General Pinochet in the plebiscite.

But Mr. Lagos reportedly wants to bring along a more radical Socialist faction led by a former foreign minister, Clodomiro Almeyda, and that is not acceptable to the Nationals.

The search for a candidate further complicates the opposition scenario. The Christian Democrats, who are the largest single party in the country and probably have the loyalty of about a third of the electorate, believe they should name the candidate.

Their possibilities include Patricio Aylwin, the party president, and two former cabinet ministers, Andres Zaldívar and Sergio Molina.

But many opposition strategists say it will be necessary to reach to the center-right for a candidate who can attract Pinochet voters.

At the same time, some analysts say they believe that Mr. Lagos, the most prominent Socialist, wants to run badly enough so as to be a roadblock in the Christian Democratic plans.

The opposition still hopes to be able to negotiate with the armed forces in the coming months to shorten the timetable and also to amend some points in the constitution that give more authority to the armed forces than is usual in democratic regimes.

Such negotiations have not been ruled out by the armed forces, but now both sides seem to be staking out positions from which to advance. Everyone has called for moderation; no one has sought to inflame the other side.

NEWS ANALYSIS

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The constitution definitively prohibits re-election of the president once the country returns fully to elective democracy, but it has several special provisions for this

injured in celebrations that turned violent since Chile's military leader lost the bid to extend his rule by eight years, the police said.

The casualties included 22 foreign journalists who were clubbed by riot police Friday night during protests outside the presidential palace, prompting complaints from U.S. and Argentine diplomats.

Several had to have stitches in their heads and were treated for other injuries, including at least one broken nose and a hairline back fracture.

Although several Chileans were among those assaulted, the president of the Chilean Journalists' Federation, Jaime Moreno, said Saturday that the attack was "directed, in special form, against foreign correspondents."

Supporters of General Pinochet have often criticized foreign news coverage of Chile and in the one-month campaign period before the vote the criticism became outwardly hostile.

(Reuters, NYT)

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The opposition still hopes to be able to negotiate with the armed

Leftists Call for Protests To Force Pinochet Out

Compiled by Our Staff From Dispatches

SANTIAGO — Leftist parties led by the outlawed Communist Party have called for continued street demonstrations to force President Augusto Pinochet to resign following his defeat in last week's presidential plebiscite.

Having lost the plebiscite, General Pinochet, under the constitution drafted by the military in 1980, must call competitive elections in December 1989 and step down three months later. However, leftists are demanding that he step down right away.

The United Left, a Communist-led coalition of five parties, called Saturday for further street protests to press for the 72-year-old general's immediate resignation.

"Pinochet must resign," said José Sanfuentes, the Communist leader. He accused the military government of planning to ignore defeat at the polls and stay in power by force.

Two demonstrators have been shot to death and more than 60



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# PERSONAL INVESTING: FUNDS

## Offshore Funds Turn In a Weak Third Quarter

The setback in major markets hurt returns, but confidence builds.

By William G. McBride

OFFSHORE FUNDS took a beating in the third quarter as world markets were buffeted by higher interest rates. The 590 equity funds tracked by Lipper Analytical Services fell an average 3.6 percent in dollar terms in the quarter, while the 240 bond funds monitored lost about 1.3 percent of their value.

Funds that concentrated on non-U.S. markets also battled adverse currency movements. Morgan Guaranty's trade-weighted index of the dollar's value against 15 other currencies rose about 4 percent in the quarter, further trimming the gains of funds focused on the United Kingdom, Continental Europe and Japan.

Among the worst casualties were gold funds. Twenty gold-oriented offshore portfolios tracked by Lipper fell an average 13.5 percent in the third quarter. Despite the poor third quarter showing, some advisers in recent weeks have felt more confident and have recommended a cautious increase in the equity element of their portfolio. (See model portfolios, Page 9.)

The U.S. and West German markets in particular were showing signs of improved sentiment in the closing days of September. The biggest winners among offshore funds in the third quarter fell into a category investment professionals would label special situations. Some, like the three Taiwan funds that led the top 10 performers and the seventh-ranked Brazil fund, benefited from targeting comparatively insulated smaller markets where local conditions drove prices sharply higher. The Taiwan market, though, took a tumble in the final days of September.

Two other funds in the top ten — McDonnell & Co.'s MCD Mergers and Arbitrage fund and Global Asset Management's GAM France fund — benefited from takeover activity in the United States and France. One futures fund, managed by U.S. futures specialist Paul Tudor Jones, made the list of leading funds, as did one bond fund, the Obliflex portfolio guided by Lombard Odier.

But Taiwan provided the drama in the quarter. Taiwan (ROC) Fund, one of the four funds created to allow foreign investment in the Taipei stock exchange, surged over 60 percent in the three months ended Sept. 30. But the final days of the quarter saw the market's resilience disintegrate when the government announced plans to reimpose a tax on stock market

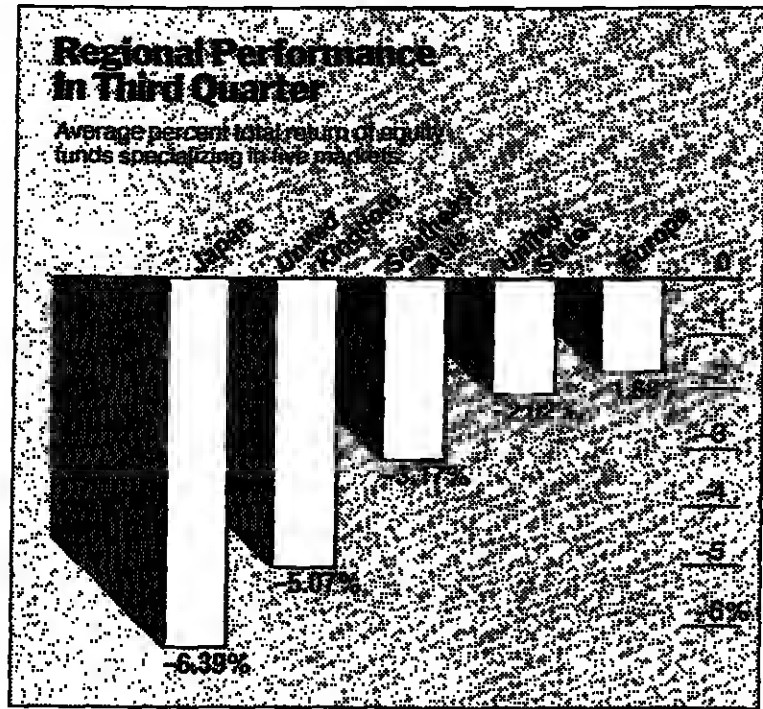
Continued On Page 8

### Top 10 Offshore Funds in Third Quarter

Percent total return in dollars, Dec. 31, 1987 through Sept. 30, 1988.

|                                   |        |
|-----------------------------------|--------|
| Taiwan (ROC) Fund                 | 60.55% |
| Taipei Fund                       | 53.51% |
| First Securities Investment Trust | 50.90% |
| Tudor BVI Futures                 | 17.65% |
| GAM France                        | 16.04% |
| Obliflex Class C                  | 14.44% |
| Brazilian Investment Co.          | 11.88% |
| North American Eagle Fund         | 10.75% |
| F.S. Perseus                      | 8.69%  |
| MCD Mergers & Arbitrage           | 7.54%  |

Source: Lipper Analytical Services



## U.K. Funds Lift Fees Despite Slow Sales

By Marybeth Nibley

INCREASING THE price of a product when its sales are down hardly seems like good business sense. But that is what British fund management firms are trying to do.

About a dozen U.K. fund management groups have moved to increase their initial sales charges and their management fees. The funds complain that the costs of meeting requirements of the new Financial Services Act and the shrinkage in the pool of assets on which their management fees are based have put the squeeze on profits.

But fee boosts may only give retail investors, still reticent about returning to the market after the crash of a year ago, just another reason not to buy unit trusts, as U.K. open-end funds are called. And it will no doubt generate more talk about an impending shake-out in the fund-management industry.

"Even if October last year hadn't happened, we would still be asking for permission to raise charges," acknowledges Michael Short, director and general

manager of Hill Samuel Unit Trust Managers. "In order to maintain our position — the bottom line as it were — we regrettably have to raise our charges."

Hill Samuel is among the many fund companies that must obtain unit holders' permission before increasing charges. Other unit trust managers are free to make limited adjustments without first obtaining permission.

In the case of Hill Samuel, unit holders have received letters asking them to endorse an increase in initial sales charges to 6 percent from 5 percent, and a boost in annual management fees to 1.5 percent of the fund's assets from about 0.8 percent. About a dozen other companies have taken similar action or stated their intentions to do so.

Robert Luttrell, a spokesman at Prudential Holborn Ltd., says the company's decision to raise charges arises from the tougher regulatory climate. For example, Prudential Holborn spent a half a million pounds on a new computerized pricing system that lets managers update the prices of fund shares every two hours, or more frequently if necessary.

Although the system was not directly required by the Financial Services Act, new restrictions on how the

industry prices fund units have made up-to-the-minute quotations increasingly important. On August 25, when a big selloff hit London's stock exchange, Prudential Holborn was able to continue dealing with unit holders at current prices.

At a disadvantage were companies dealing under the method called historic pricing. In this method, investors entered transactions on prices prevailing the previous trading day. But the new financial regulations laid down more stringent rules about when companies may use historic pricing.

Several firms have instead moved to forward prices, which means that prices are set at the exact calculation after an order is placed. On Aug. 25, these firms were unable to tell customers precisely at what price the transaction would be made. At least one company temporarily halted dealing until the market sorted out its problems.

Fund managers say forward prices are not popular with customers, and various surveys conducted by the unit trust industry have supported this view. Most investors apparently prefer to know exactly at what

Continued On Page 12

### INSIDE

|                                     |    |
|-------------------------------------|----|
| Offshore fund leaders               | 8  |
| Currency funds                      | 8  |
| Model portfolios                    | 9  |
| U.S. newsletters in a squeeze       | 9  |
| Mutual funds offer a choice of fees | 12 |
| Asset allocation fails to impress   | 12 |

### FOCUS

## Getting a Grip On Fund Risks

IMAGINE TWO funds whose values have gone up exactly the same — 60 percent — in the last three years. The first fund's climb was erratic. When the Standard & Poor's 500 index fell 5 percent, the first fund plummeted 15 percent. When the S&P rose 5 percent, the first fund charged ahead 20 percent.

But the second fund's upward path was steadier. It seldom fell more than the S&P in any given time period. And when the S&P rose, the second fund occasionally outperformed that broad market gauge by a decent margin.

A question: Which of the two funds represented the safest way for an investor to achieve a 60-percent return over the

last three years? Most investors would intuitively answer that the second fund seems safer. Indeed, no investor likes stomach-churning volatility, especially the kind that culminated in the stock market plunge of a year ago.

That is the same thinking that drives the decisions of investment professionals. In their view, the expected return on a fund or any other investment is meaningless unless the investor has a sense of how much risk is involved. Otherwise, how will the investor know whether the returns are sufficient reward for the amount of risk to the investor's capital?

But when professionals size up a fund, they want more than just a general idea of risk. To quantify risk, professionals fall back on a handful of measures that receive little attention from the average individual investor, notes Spero Kripotos, executive vice president of CDA Investment Technologies, a Silver Springs, Maryland-based firm whose data on funds includes various measures of volatility.

THESE MEASURES are not as arcane as they may seem at first glance. For example, most college students who have puzzled in an introductory statistics course over the likely outcome of coin flips or a roll of the dice will recognize "standard deviation" as a shorthand way of describing the variability of a set of results.

Computing the standard deviation of a fund is fairly straightforward. First, an analyst calculates the fund's total return in each month over a certain period of time, usually a few years. Generally, the longer the time frame, the more valid is the measure, assuming that the fund's basic investment strategy has remained constant. Then those monthly returns are fed into an equation that yields a single value.

The higher the standard deviation, the more volatile the fund, allowing investors to compare the consistency of returns of two or more funds. But standard deviation can also tell a lot about an individual fund, notes CDA's Mutual Fund Report.

Take a fund that has a standard deviation of 3.6. That figure tells an investor that for about two out of three months, the fund's performance will fall within a range of plus or minus 3.6 percentage points of its average monthly return. Its return for 19 out of 20 months would fall within a range of plus or minus 7.2 percentage points.

Another method of measuring risk is "beta." This measure gauges how closely the fund's performance follows the ups and downs of the stock market. Usually, the S&P 500 index is used as a stand-in for the market. The formula for calculating beta simply compares the month-to-month returns of a fund with the month-to-month returns of the S&P 500 index.

For purposes of measurement, the S&P 500 is assigned a beta of 1.00. A fund with a beta of 1.20 would be 20 percent more volatile than the market. A fund with a beta of 0.50 would be half as volatile.

Once the risk factor is quantified, investors can put a fund's performance in context. For example, in the three years ended Aug. 31, Fidelity's Magellan Fund had a standard deviation of 7.43 and a beta of 1.12. This compares with an average standard deviation of 6.09 and an average beta of 0.84 for the more than 1,200 funds tracked by CDA Technologies.

Both measures show that the Magellan Fund is riskier than the average fund and the overall market. But the Magellan fund generated a total return of 65.5 percent for this period, compared to the S&P 500's 33.6 percent. Given the Magellan fund's beta, it could be assumed it would perform 12 percent better

Continued on page 11

### Measuring Volatility

Total return and standard deviation of top five U.S. mutual funds in the three years ended Aug. 31, 1988

|                       | Return | Standard Deviation |
|-----------------------|--------|--------------------|
| GT Japan Growth       | 252.7% | 7.47               |
| Nomura Pacific Basin  | 185.0% | 5.90               |
| Fidelity Overseas     | 145.0% | 7.99               |
| Vanguard Worldwide    | 144.9% | 6.02               |
| Merrill Lynch Pacific | 142.2% | 9.20               |

Source: CDA Investment Technologies

### PROFILE



Neil Eigen, manager of Integrated Equity Portfolio's Aggressive Growth Fund.

## Capturing Big Gains In Small Companies

By Cynthia Catterson

ALTHOUGH SMALL company stocks have been the big winners for most of this year, Neil T. Eigen, manager of the \$23 million Integrated Equity Portfolio's Aggressive Growth Fund says that this is only the beginning.

"Small companies are still very cheap compared to the big stocks," he says. "There will have to be a lot of outperformance by this group for them to get to the point where I think they are fairly valued."

The 45-year-old manager of one of this year's top performing growth funds was among the professional investors who took their cue from an important technical indicator last year. In the past 20 years, the average price-earnings ratio of small company stocks has ranged from 1 to 22 times the average multiple for Standard & Poor's 500. In 1987, Mr. Eigen says, the relative multiple of smaller stocks compared to the S&P dropped to less than one.

"By the middle of last year, it became obvious that small stocks

wouldn't lag for too long," says Mr. Eigen, "and that when the turn came in the market for these stocks, it would come with a vengeance."

The business cycle has finally turned in favor of the smaller companies, he says, adding that the strength in the lower-capitalization stocks is going to be an important aspect of the market for the next few years. Right now, he says FE's have risen to about 1.3 times the S&P, but they will have to reach about 2 times the S&P for Mr. Eigen to perceive these stocks as getting expensive.

The Aggressive Growth Fund, launched in March, 1987, has taken advantage of the turnaround. According to Lipper Analytical Services, the fund is up more than 53 percent since January. By comparison, the Nasdaq Composite Index of over-the-counter stocks has risen 16.8 percent for the same period. The Standard & Poor's 500 Index is up only about 10 percent.

Mr. Eigen says Aggressive Growth was started with the long-established idea that the small-company sector has historically outperformed larger stocks. Indeed, conventional invest-

Continued On Page 8

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\*source: Lipper Overseas Fund Table, June 30 1988

\*Fund since launch 3.7.87 to 28.9.88: +8.04% (offer to bid basis). FTA All-Share Index for same period: -15.8%. Income reinvested in both cases.

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**OFFSHORE FUNDS**

**Fine-tuning 3 Portfolios**

**S**TOCK MARKET prospects have improved slightly in recent months, according to three investment advisers who were asked to create \$50,000 model portfolios of offshore funds. The models are designed for a hypothetical dollar-based investor who favors growth over income and prefers to take only moderate risk.

Overall, their allocations reflect a less defensive strategy than prevailed in the models they created for April's Personal Investing report. Opinions on Wall Street continued to be divided, while confidence in the European and Far Eastern markets strengthened.

Hill Samuel discarded the International Bond Fund in sterling, into which it had placed \$7,500 in the April portfolio. The amount in the dollar-denominated part of the International Bond Fund was doubled to \$10,000, leaving a net reduction in fixed-interest investments of \$2,500. The portion of the portfolio kept liquid was trimmed by halving the amount in a dollar-denominated currency fund to \$2,500.

Three-quarters of the \$50,000 was allotted to equities, including 25 percent in Japan and the Far East, 24 percent in the United States and Canada, 13 percent in Europe and 12 percent in Britain. Twenty percent of the overall portfolio was devoted to fixed-income holdings, and the remaining 5 percent was kept in cash via the currency fund.

Kleinwort Benson bolstered its exposure to stocks. "If you are prepared to take a view of two to three years, you can afford to put money into equities," contends Peter Saunders, director of private client services for Kleinwort Benson Investment Management. "The difficult thing is to step back from the general malaise and say, 'There's good value here.'"

The amount deposited in Kleinwort Barrington Pacific Trust was raised to \$10,000 from \$7,500 in April's portfolio. Mr. Saunders, who expressed ambivalence toward Europe six months ago, agrees that the "prospects for European markets have improved." He cited a boom in capital spending in some countries, such as West Germany. The portion deposited in the Kleinwort Barrington European Special Trust rose to \$7,500 from \$5,000.

Into the Kleinwort Barrington U.K. Equity Growth Trust went \$7,500, replacing the M&G Island Fund, which had \$5,000 in the April portfolio. With the outcome of the U.S. election uncertain, the Kleinwort Benson portfolio showed no change regarding the weighting for the U.S. content.

Of the three portfolios, Hoare Govett's placed the greatest emphasis on the Far East. Unlike the others, it has no North American holdings and includes a commodity fund. Fifty-five percent of the \$50,000 was directed to Asia and the Pacific. As in the October model, investments of \$7,500 each were put into the Hambro Pacific Japan Fund, the Jardine Fleming Japan Trust and the Jardine Fleming Pacific Income Trust.

The other \$5,000 was deposited in the Jardine Fleming ASEAN Trust, which focuses on Singapore, Malaysia, the Philippines and Thailand. "We really feel that the Far East is at present like the United States was in the 1960s," says Andrew Christensen, a director of Hoare Govett (Channel Islands) Ltd. "Japan is entering a golden age."

Marybeth Nibley

**PORTFOLIO 1**

|  |          |
|--|----------|
| Hill Samuel (Channel Islands) Trust Co. Ltd.   |          |
| Hill Samuel Overseas Fund                      | \$12,000 |
| Hill Samuel Int'l. Bond Fund, Dollar Class     | \$10,000 |
| Hill Samuel European Equity Fund               | \$6,500  |
| Hill Samuel Crossbow Fund                      | \$13,000 |
| Hill Samuel U.K. Growth Fund                   | \$6,000  |
| Hill Samuel Int'l. Currency Fund, Dollar Class | \$2,500  |

**PORTFOLIO 2**

|                                      |         |
|--------------------------------------|---------|
| Hoare Govett (Channel Islands) Ltd.  |         |
| M & G Island Fund                    | \$7,500 |
| Mercury Selected European Trust Fund | \$5,000 |
| GT Deutschland Fund                  | \$2,500 |
| Hambro Pacific Japan Fund            | \$7,500 |
| Jardine Fleming Japan Trust          | \$7,500 |
| Jardine Fleming Pacific Income Trust | \$7,500 |
| Jardine Fleming ASEAN Trust          | \$5,000 |
| E.O. & F. Man Mint Ltd.              | \$5,000 |
| Cash                                 | \$2,500 |

**PORTFOLIO 3**

|  |          |
|--|----------|
| Kleinwort Benson Investment Mgt. Ltd.          |          |
| Kleinwort Benson Int'l. Accumulation Bond Fund | \$10,000 |
| Kleinwort Benson Pinechurch Fund               | \$7,500  |
| Kleinwort Barrington European Special Trust    | \$7,500  |
| Kleinwort Barrington Pacific Trust             | \$10,000 |
| Kleinwort Barrington U.K. Equity Growth Trust  | \$7,500  |
| Cash   | \$7,500  |

**MUTUAL FUNDS**

**Newsletter Gurus Feel Pinch of Poor Sales**

A few publications on funds have closed or been sold as readers grow scarcer.

By Bruce Hager

**T**HINGS WERE looking up for Ken Weber last October. Working out of the basement of his Great Neck, Long Island home, his Weber's Fund Advisor had a circulation of 3,500. And he was planning a direct mail campaign to inform another 70,000 potential subscribers about the benefits of his monthly newsletter. Then the stock market fell apart.

The day after Oct. 19's debacle, Mr. Weber sent a special letter to his readers, venting his anger at the market. He also was quick to remind them that the best time to invest was when everyone else was in despair. "The letter definitely helped," he says. Still, Weber's Fund Advisor lost 500 readers.

Mr. Weber's story is hardly unique. Only a handful of publications, including O'Malley's Fidelity Watch, The New Mutual Fund Advisor and Callaghan's Fund Advisor, were forced out of business. But those that survived have seen circulation and subscription renewal rates tumble, forcing many publishers to cut down on expensive advertising and diversify into other enterprises to make ends meet.

Hard figures are difficult to come by, since newsletter writers do not have to register as investment advisers with the Securities and Exchange Commission unless they receive direct compensation for their advice. But industry representatives say that subscriptions are down anywhere from 15 percent to as much as 50 percent for the estimated 70 newsletters in the United States that offer advice about mutual fund investments. Renewal rates are running as low as 25 percent.

"When the crash hit, investors lost interest in investments of all kinds," says Norman Fosback, president of the Institute for Econometric Research in Fort Lauderdale, Florida. "It, therefore, became uneconomical to engage in new direct mail and advertising efforts."

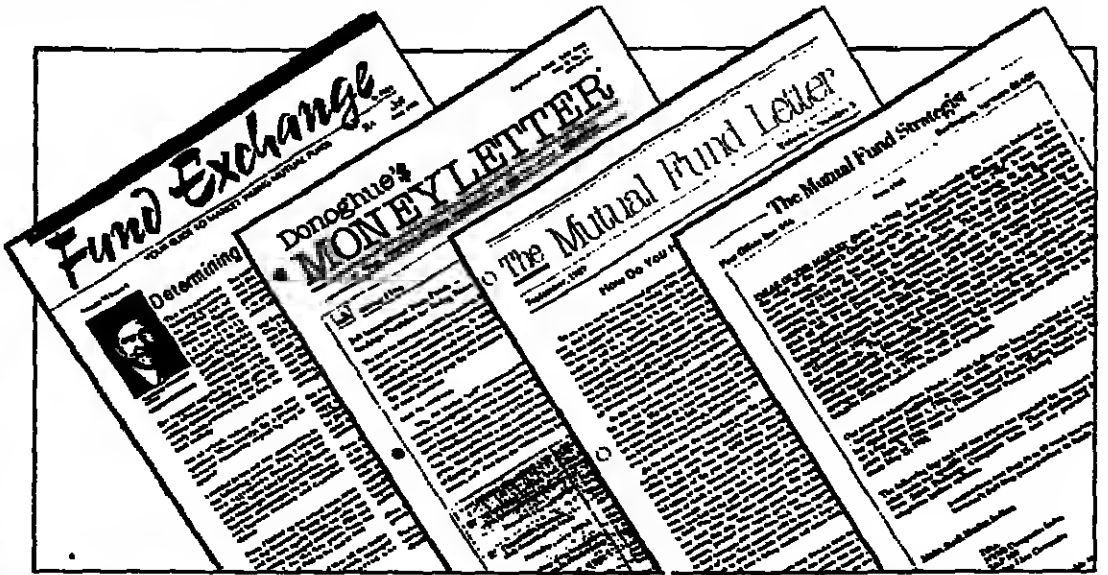
The institute, which publishes five separate newsletters, saw their market leader, The Mutual Fund Forecaster, drop from a record 255,000 subscribers before the crash to its current 185,000 level.

"There just wasn't enough interest in it," says Al Brust, president of Asset Control Services, Inc. in Denver, which published the year-old Callaghan's Fund Advisor, which had a pre-crash circulation of 500 subscribers. "Promotion yields were half of what they should have been."

Indeed, the current environment stands in sharp contrast to the heady days before the crash. The lure of the bull market caused a mini-boom in advisory services, and this was particularly true in the mutual fund area.

"I think a lot of people got in to the newsletter business as an easy way to make a killing," says William Donoghue, publisher of Donoghue's Money Letters, which began in 1977 and now has 20,000 subscribers.

When Richard Dorf, publisher of The New Mutual Fund Advisor, saw his renewal rate drop from 80 percent to 50 percent immediately following the crash, he knew times were going to be tough. "Many people told me when I



spoke to them at meetings that they had cut their newsletters from three or four to one," says Mr. Dorf, whose three-year old effort managed to attract 3,000 subscribers at its peak. "If they're only in money market funds, they don't need much advice."

If investors were turned off to the post-crash U.S. market, then they cared less about what was going on elsewhere. Jon Woronoff, a journalist and expert on East Asia, began the Washington, D.C.-based International Fund Monitor three years ago, at the beginning of the

boom in global investing. Before the crash, he managed to attract 1,500 subscribers, but that figure has since fallen below 1,000 as investors have pulled in their horns.

"The international markets have been doing very well, much better than the American market, but most Americans don't seem to know this," says an obviously frustrated Mr. Woronoff, ticking off year-to-date total return figures of 24 percent for French stocks and 27 percent for Japanese, compared to 6 percent for U.S. equities.

Fortunately, only a minority of publishers depend solely on their letters for a livelihood. For most, it is a part-time project they hope to build into a business over the long-term. Mr. Woronoff is a professional journalist, while Mr. Brust manages private accounts. Mr. Dorf, is a professor of finance at the University of California at Davis.

To increase revenues, other publishers have diversified into privately managed accounts. Charlie Hooper, publisher of the Mutual Fund Strategist in Burlington, Vermont, began business back in 1982 and struggled before being touted by a top newsletter rating service as one of the best in the business. But the crash, he says, actually meant that his privately managed accounts have jumped from \$17 million to over \$40 million.

And Paul Merriman, who publishes a well-regarded timing newsletter called The Fund Exchange, acknowledges that he doesn't rely on his subscribers for income. "Ninety-five percent of our revenues come from our privately managed accounts," he acknowledges. "Our newsletter serves as a way to communicate with (those) accounts."

Tough times also create new opportunities. Gerald Peritt, publisher of the Mutual Fund Newsletter in Chicago, has taken over Mr. Dorf's subscriber list and newsletter bought The New Mutual Fund Advisor. And Sheldon Jacobs, publisher of one of the oldest newsletters on no-load mutual funds, The No-Load Fund Investor, just added another to his stable as well.

"If one of my peers wants to go out of business, I am perfectly willing to absorb them," says Mr. Donoghue of Money Letters. "One of the nice things about the newsletter business, when you want to stop publishing, you don't have to send the money back to the subscribers. You can simply merge with another publication."



Fosback: 'Investors lost interest.'

**Smaller Issues**

*[Faded text from a sidebar section, likely containing market news or commentary.]*

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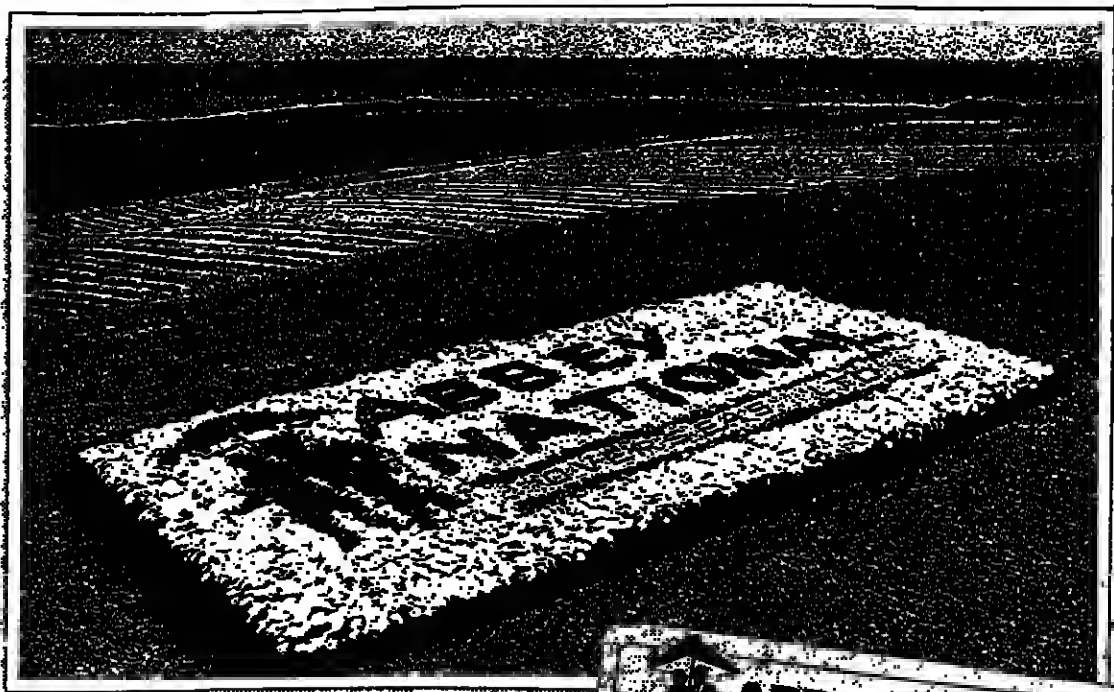
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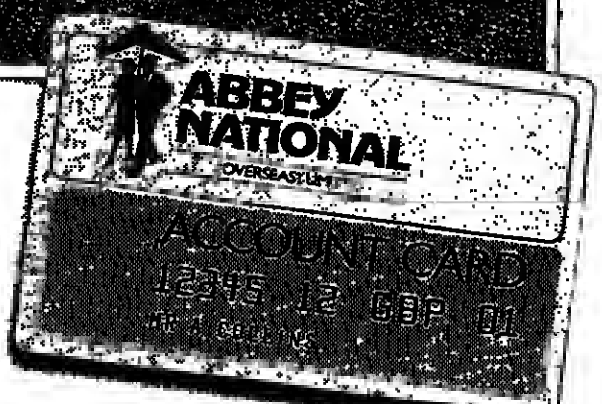
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## STRATEGY

# Investing in Fund Companies

By Elena Bowes

INVESTORS in the companies that manage mutual funds can hardly be accused these days of following the crowd. Persistently poor sales reports and uninspiring profit pictures have sharply diminished most investors' enthusiasm for fund-management shares.

"I'm not recommending any of them," says Lucy M. Shockley, an analyst at Mahon, Nugent in New York. For 1988, she expects Dreyfus Corp.'s earnings to be flat and T. Rowe Price's to be up slightly, at best. With the stock prices of both fund companies at about 11 times 1989 earnings estimates, she finds better value among regional bank shares, which have consistent annual profit increases of 10 to 15 percent and are trading at around 7 to 8 times 1989 estimated earnings.

But some followers of the industry, while conceding that the sector's near-term prospects are far from strong, argue that a few firms have special attributes that make them attractive long-term plays. And some of the fund-management companies, say these analysts, are not in as dire straits as sales statistics would suggest.

Roger Engemann, manager of the Pasadena Growth Fund, finds much to admire in Dreyfus, for example. Mr. Engemann, who says he "doesn't have a short-term bet in my body," notes that the company's strategy of trading in the fund business and the stock in the past has traded at a price-earnings ratio of 15 "without any problem."

Dreyfus, which manages close to \$40 billion in assets, boasts impressive financial depth. Of its recent \$26 share price, about half is backed by cash and marketable securities, and the company has no long-term debt.

Another Engemann favorite is United Asset Management, which differs a bit from most fund-management firms. Rather than being a single operating unit, United Asset is comprised of about 20 autonomous investment counselors, each of whom manages 100 or so portfolios. "The extra kicker is their accounting," says Mr. Engemann. "UAM's earnings per share are grossly understated."

Each time United Asset acquires an investment counselor, the company marks up its assets based on the value of the counselor's accounts, he explains. In so doing, United Asset acquires a depreciable paper asset, which reduces the company's reported earnings and its tax bill.

United Asset reported per-share earnings in 1987 of 78 cents, but Mr. Engemann's approach puts the profit closer to \$1.86. Similarly, using Mr. Engemann's approach, the company's price-earnings ratio of 15 is more like 8. "I feel I'm getting a lot of bang for my buck," he says.

Overall, most analysts prefer

## October Market Scoreboard

Table with columns for Percent Change, Price, and Date (Sept. 30). It lists market performance for New York Stock Exchange, American Stock Exchange, London Stock Exchange, and Tokyo Stock Exchange, including various companies like Kroger Co., Wyse Technology, and others.

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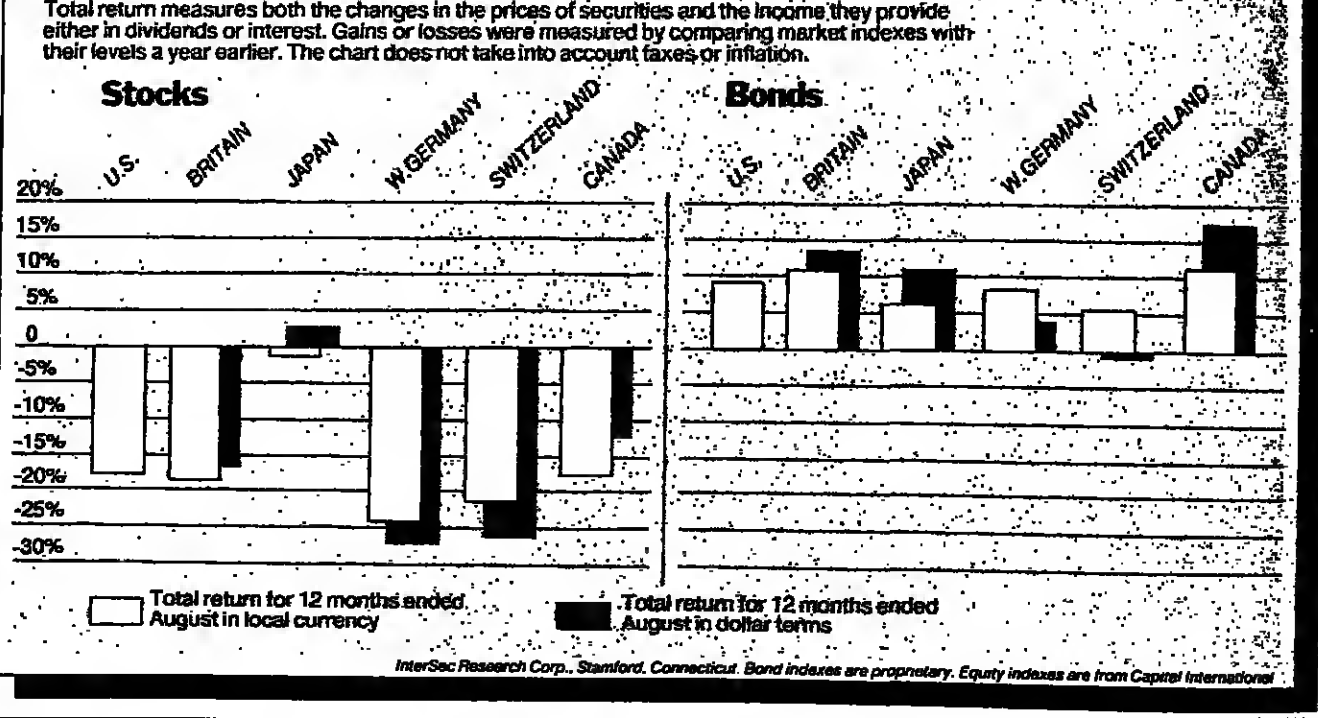
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UPDATE

Templeton Magic Fails To Save Fund

AS FUND managers go, few enjoy the prestige of John Templeton. Therefore, it came as quite a surprise to the fund industry when the latest Templeton fund filed for bankruptcy without ever having sold a single share.

The Templeton/Taft Philanthropic Trust, launched in April 1987 as a global equity fund for nonprofit organizations, filed for bankruptcy under Chapter 11 of the federal bankruptcy regulations last month in a federal court in Nashville, Tennessee.

Some fund specialists are puzzled that the Templeton name was not enough to bring in customers. Mr. Templeton, who manages seven mutual funds with about \$9 billion in assets, is considered the dean of global investors.

But Bruce Canty, director of operations for Non-Profit Marketing Corp. of America, the fund's underwriter, says marketing the fund was made difficult because of the stock market crash in October 1987.

Suzy Vasylicious

France's Fund Industry Resists New Ethics Code

THE FRENCH mutual fund industry will likely have to swallow some strong medicine this fall in the way of a new ethics code.

Already, the industry's lobbyists are trying to soften a draft of the bill that would establish ground rules designed to prevent insider trading and self-serving investment decisions.

As of June 30, there were 690 SICAVs on the market with assets totaling 993.8 billion francs. A SICAV is a mutual fund of variable capital that has the legal status of a company.

The ethics provisions are part of a larger bill that would bring France's mutual fund industry into line with a 1985 European Community directive covering the composition, administration, management and marketing of funds.

Luxembourg was the first to adopt the directive's provisions when its law went into effect last March 30.

services organizations, essentially a "Chinese Wall." For smaller institutions, it suggests that fund managers be overseen by an independent high-level manager.

This, in effect, would mean the end to a common practice that allows fund managers at French banks and insurance companies to be actively involved in strategic investing and corporate finance within the same institutions.

A detailed code to accompany the proposal mandates that the banks and insurance companies which promote funds enact "a clear separation between fiduciary management and other activities such as banking, stock trading and market-making."

For large institutions, the code suggests this could be accomplished by creating separate departments within financial

services organizations, essentially a "Chinese Wall." For smaller institutions, it suggests that fund managers be overseen by an independent high-level manager.

The ethics code would also put a control on fund managers who attempt to take personal advantage of portfolio management decisions. It would require managers who trade on their own account to conduct all of their trades through their own institution, and thereby under the watchful eye of their employer.

Though insider trading is rarely acknowledged as a problem in Paris, professionals admit the practice is rampant. The original text of the bill spelled out penalties for ethics violations, but a more recent draft sidesteps the sensitive question, leaving enforcement to the Commission des Operations de Bourse, the regulatory arm of stock exchange.

The industry is unhappy with that solution because it would put the sensitive job of judging in the hands of the same professionals who make the rules.

Jacques Neher



John C. van Eck of International Investors.

S. Africa Debate Flares Again

THE PASSAGE of anti-apartheid legislation by the U.S. House of Representatives has rekindled the debate among gold fund managers about investing in South Africa, where stock prices seem especially appealing nowadays.

The House adopted legislation last August that would force U.S. investors to rid themselves of South African securities within six months of final passage of the bill. A version is currently before the Senate Foreign Relations Committee and a final vote is expected this autumn.

According to a Wharton Econometrics survey, which was sponsored by International Investors Inc., the country's largest gold fund, U.S. investors in South African gold mines could lose up to \$1.2 billion if forced to sell in the time allotted by the proposed legislation.

David Edwards, manager of the United Services Gold Fund, which invests only in South Africa, doubts the Senate will approve the measure and says he has no plans to diversify.

ers gold a good buy, particularly in South Africa.

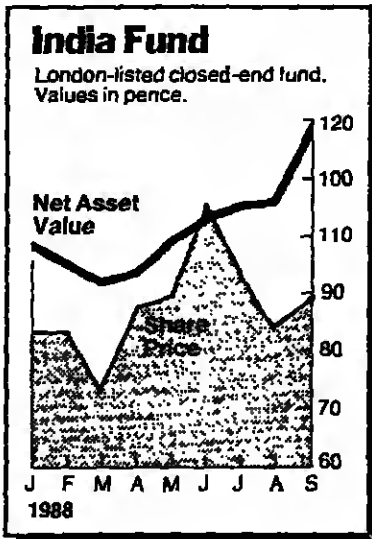
John C. van Eck, head of International Investors, also says South African gold share prices look attractive.

Other fund managers, however, remain concerned about possible sanctions. Caesar Bryan, manager of the Lexington Gold Fund, has reduced South African holdings to 7.8 percent, down from 15 percent last March and 36 percent at the end of 1984.

Indeed, some management companies in recent years have established gold funds that exclude South African shares out of concern over political uncertainty or public opinion.

United Services' New Prospector Fund also avoids South Africa. Eighty percent of its \$94 million in assets are divided equally between U.S. and Canadian gold mines, with the remaining 20 percent in Australia.

S.V.



India Booms, But Funds Decline

INDIA'S STOCK market turned in the second strongest performance in Asia in the third quarter after Taiwan, with the Bombay exchange up about 6 percent in dollar terms. But that was hardly reflected in the performance of two closed-end funds that are the only way foreigners can invest in the Indian market.

By the end of September, the India Growth Fund, guided by Merrill Lynch and Unit Trust of India, had slid to \$9.25 a share from its initial offering price of \$12 in August. That left it at a 20-percent discount to net asset value.

Andrew Economos, an analyst at Scudder, Stevens & Clark, says investors in the London-listed India Fund are likely more familiar with the Indian market and have a longer-term approach.

Mr. Economos says the Indian market has been benefiting from the end of a major drought. He believes India still has good long-term potential and expects corporate earnings to grow between 15 and 20 percent over the next three years.

Cynthia Catterson

FOCUS

Coming to Grips With Fund Risks

Continued From Page 7

than the S&P 500. But in fact, it did about 20 percent better than the index.

When a fund does better than its risk profile would expect, the statisticians say it has a positive "alpha."

At the end of August, the Magellan had an alpha of 1.3 percent over the previous three years. That means the fund, on an annual basis, did about 1.3 percentage points better than its risk profile would have been predicted in that period.

Over the years, investors have learned in general terms to expect stocks to be more volatile and give higher returns over the long haul than bonds.

The relationships among different categories of investments can change, though. Michael Hirsch, chief investment officer at Republic Bank, notes that "the long-term bond market has grown more volatile in recent years."

D. Jacqueline Smith

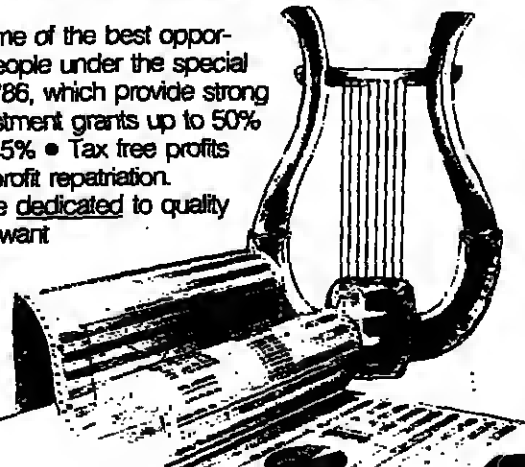
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### EUROBONDS

## Market Ends Stronger On U.S. Jobs Report

By CARL GEWIRTZ  
International Herald Tribune

PARIS — Bond markets ended on a higher note last week. The rally was fueled by reduced concerns about inflation, as crude oil prices slid to 26-month lows and worries about rising U.S. interest rates lessened thanks to a modest increase in the U.S. employment rate for September.

Dealers reported good demand in all sectors of the Eurobond market after the employment data was released on Friday. But because investors had been waiting for the report all week, there was a slowdown in the weekly volume of new issues.

The dealers cautioned against reading too much into the market's upturn at the end of the week. They said that the bulk of new investments continued to be placed in short-term instruments, such as bank deposits, commercial paper and medium-term notes.

This trend is partly a function of the relatively flat yield curves in all sectors of the market, bankers said. In other words, there is not much difference between the yield on short-term and long-term instruments.

"An investor buying 10-year U.S. instruments is only getting an extra 68 basis points, which is a bit more than half a percentage point over the income earned on one-year notes. In Deutsche marks, the difference in yield is a steeper 117 basis points between one and 10-year investments, but it is still not large enough to pull money into long-term holdings. In the Japanese market, the yield gap is a very thin 11 basis points.

In contrast, data supplied by Salomon Brothers show that a year ago, immediately preceding the global stock market collapse, the yield curve in dollars was 187 basis points, in marks it was 232 basis points, and in yen it was 103 basis points.

The flatter yield curves reflect the rise in short-term interest rates since last year. The change occurred because of a U.S. anti-inflation policy that prompted the U.S. Federal Reserve Board to drive up short-term rates. The West Germans and Japanese were then obliged to push up their short-term rates to keep their currencies from depreciating against the dollar.

### The flatter yield curves reflect the rise in short-term interest rates.

THE FACT that the increase in short-term rates did not push up long-term rates indicates that investors believe the danger of inflation has been contained.

The flatter yield curve is a significant disincentive for investors to buy long-term paper. But if, for example, investors were convinced interest rates were set to fall, they would likely rush to buy long-term paper since the potential capital gains as yields fall and prices rise would be greater than the gains on short-term instruments.

Confidence about the future appears to be the key ingredient missing at present. In part, this reflects continuing uncertainty about the U.S. economy.

Is the economy really cruising at a speed compatible with containing inflation, or are the newly released employment numbers masking a rapid rate of expansion? The employment data appear to have quelled whatever fears remained that the Fed might increase short-term rates again before the U.S. presidential election in November. But doubts remain about the period after the election. Has the economy really slowed to a pace that is unlikely to fuel inflationary pressures, investors wonder, and what will be the policies of the next U.S. president?

The price of oil is another major uncertainty. Many believe that the current disarray within the Organization of Petroleum Exporting Countries is only a temporary situation, and the price will be back above \$13 a barrel within a few months.

Other analysts argue, however, that low prices are likely to be sustained, or even weakened further. They contend that Saudi Arabia, Kuwait and the United Arab Emirates have no desire to push up oil prices, since that would enhance the ability of Iran and Iraq to begin fighting again.

A sustained decline in the price of oil would be beneficial for the industrialized countries, improving corporate profits and knocking a half-point off the inflation rates expected next year in the United States, Japan and West Germany.

One positive scenario resulting from lower oil prices could be that the United States will keep its inflation rate unchanged and use the benefit from the lower oil price to let the dollar slip back from its current level to reduce its trade deficit. A lower dollar would also further reduce concerns about inflation in West Germany and Japan.

This would occur at the same time the financial situation improves in West Germany. The Bundesbank is expected to report record profits this year. The mark started the year at 1.58 to the dollar, and the central bank has intervened heavily to keep the rate below 1.90 DM.

See BONDS, Page 15

### Currency Rates

| Currency          | Oct 7    | Oct 10   |
|-------------------|----------|----------|
| Australian dollar | 1.2825   | 1.2825   |
| Canadian dollar   | 1.2825   | 1.2825   |
| Deutsche mark     | 1.5800   | 1.5800   |
| French franc      | 166.35   | 166.35   |
| Italian lira      | 1,936.00 | 1,936.00 |
| Japanese yen      | 163.00   | 163.00   |
| Swiss franc       | 1.5800   | 1.5800   |
| U.S. dollar       | 1.0000   | 1.0000   |

### Other Dollar Values

| Currency           | Oct 7    | Oct 10   |
|--------------------|----------|----------|
| British pound      | 1.6400   | 1.6400   |
| Spanish peseta     | 166.35   | 166.35   |
| Portuguese escudo  | 200.48   | 200.48   |
| Belgian franc      | 36.36    | 36.36    |
| Dutch guilder      | 3.7603   | 3.7603   |
| Swedish krona      | 8.4664   | 8.4664   |
| Norwegian krone    | 4.7564   | 4.7564   |
| Israeli sheqel     | 1.8367   | 1.8367   |
| South African rand | 1.6602   | 1.6602   |
| South Korean won   | 200.48   | 200.48   |
| Thai baht          | 50.0000  | 50.0000  |
| Indonesian rupiah  | 1,600.00 | 1,600.00 |
| Singapore dollar   | 1.3600   | 1.3600   |
| Malaysian ringgit  | 2.3600   | 2.3600   |
| Philippine peso    | 48.0000  | 48.0000  |
| Chinese yuan       | 1.5800   | 1.5800   |
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| South Korean won   | 200.48   | 200.48   |
| Thai baht          | 50.0000  | 50.0000  |
| Indonesian rupiah  | 1,600.00 | 1,600.00 |
| Singapore dollar   | 1.3600   | 1.3600   |
| Malaysian ringgit  | 2.3600   | 2.3600   |
| Philippine peso    | 48.0000  | 48.0000  |
| Chinese yuan       | 1.5800   | 1.5800   |
| Indian rupee       | 16.6667  | 16.6667  |
| Thai baht          | 50.0000  | 50.0000  |
| South African rand | 1.6602   | 1.6602   |
| South Korean won   | 200.48   | 200.48   |
| Thai baht          | 50.0000  | 50.0000  |
| Indonesian rupiah  | 1,600.00 | 1,600.00 |
| Singapore dollar   | 1.360    |          |







New International Bond Issues

Compiled by Laurence Desvillettes

Table with columns: Issuer, Amount (millions), Mat., Coup. %, Price, Price end week, Terms. Includes sections for Floating Rate Notes, Fixed-Coupon, and Equity-Linked.

Takeovers Provide the Spark in a Sated Market

By Carl Gewirtz
International Herald Tribune
PARIS — Takeover financing and high-risk project lending are the driving forces in the international credit market...

WORLD STOCKS IN REVIEW / Via Agence France-Press

Amsterdam
Stock prices dropped sharply Monday but snapped back the rest of the week. The ANP-CBS index closed Friday at 277.4...

BONDS: Week Ends on High Note

(Continued from first finance page)
Corporate tax payments in West Germany should also soar, since corporate profits have been much higher than forecast...

Jobs Data Bolster Gains in Bonds

Compiled by Our Staff From Dispatches
NEW YORK — The bond market rallied sharply Friday to end the week higher after a favorable September employment report calmed inflation fears...

Car Loans Spur U.S. Borrowing

WASHINGTON — U.S. consumers increased installment borrowing at a healthy annual rate of 10.1 percent in August on the strength of increases in credit for automobile and revolving loans...

ISN'T IT TIME YOU MADE YOUR MONEY WORK HARDER?
52%? If you'd kept US\$ 5,000 in a 6-month dollar deposit account...

NTT: Market Greets New Shares With Negative Tone

(Continued from first finance page)
Given the government's announced intention to sell off at least half of NTT's 15.6 million shares in equal tranches...

U.S. Consumer Rates

Table with columns: Item, Rate. Includes Treasury Bonds, Treasury Inflation Protected Securities, etc.

Treasury Bonds

Table with columns: Maturity, Bid, Ask, Yield. Lists various Treasury bond maturities and their market rates.

BANKS: Steady Failure Rate Seen

(Continued from first finance page)
MCorp's request by Friday, so he could not comment specifically on the company's situation. He cited, however, the example of First RepublicBank Corp...

INTERNATIONAL POSITIONS

Table with columns: TITLE, SALARY, EMPLOYER. Lists international job positions such as Dean of the University, Marketing Manager, etc.

ROBECO GENEVA ACCOUNT
You can have easy access to the Robeco Group's investment strength through a Robeco Geneva Account. The minimum investment is only US\$ 5,000 or equivalent...







NASDAQ National Market

OTC Consolidated trading for week ended Friday.

Table of NASDAQ National Market data, including columns for stock symbols, prices, and volume. Includes sub-sections for (Continued) and various stock listings.

Table of international market data, including sections for Eurozone, UK, and other regional markets. Includes columns for stock symbols, prices, and volume.

Table of international market data, including sections for US, Canada, and other regional markets. Includes columns for stock symbols, prices, and volume.

Table of international market data, including sections for US, Canada, and other regional markets. Includes columns for stock symbols, prices, and volume.

Wall Street Review section containing NYSE Most Actives, AMEX Most Actives, NYSE Sales, AMEX Sales, NYSE Diaries, and AMEX Diaries.

Chicago Exchange Options section containing a table of option prices and details for various stocks.

Table of international market data, including sections for US, Canada, and other regional markets. Includes columns for stock symbols, prices, and volume.

American Exchange Options section containing a table of option prices and details for various stocks.

Table of international market data, including sections for US, Canada, and other regional markets. Includes columns for stock symbols, prices, and volume.

Table of international market data, including sections for US, Canada, and other regional markets. Includes columns for stock symbols, prices, and volume.

Table of international market data, including sections for US, Canada, and other regional markets. Includes columns for stock symbols, prices, and volume.

INTERNATIONAL CLASSIFIED (Continued from Back Page) section containing various classified advertisements for services like escorts, travel, and real estate.



# MONDAY SPORTS

## SIDELINES

### World Matchplay Golf Delayed by Rain

WENTWORTH, England (Combined Dispatches) — Continuous heavy rain forced the postponement of the World Matchplay golf championship final Sunday between Sandy Lyle of Scotland and Nick Faldo of England.

Tony Gray, the chief referee, said: "The conditions are as bad as I've ever known them to be. The greens have held up very well, but the fairways and the rest of the course are causing anxiety. A lot of the holes are saturated."

The 36-hole final was set up on Saturday when Lyle and Faldo posted victories in the \$450,000 championship. Lyle, the U.S. Masters champion, overhauled Severiano Ballesteros of Spain by 7 and 6, finishing 13-under par. Faldo rallied from 3 down with 10 holes to play to beat defending titleholder Ian Woosnam of Wales on the final green.

Lyle has been so impressive in his two matches that he was the 7-4 favorite to win the championship in his fifth final. He has lost four others, including his only other match against Ballesteros in this event, in 1982. If he wins the \$117,500 first prize, Lyle would top \$1 million in official earnings this year. (AP, AP)

### Thai Keeps Junior Bantamweight Title

SEOUL (UPI) — Kaosi Galaxy of Thailand defended his World Boxing Association junior bantamweight title for the eighth time Sunday, stopping challenger Choi Chang Ho in the eighth round of their scheduled 12-round bout.

Galaxy, 30, was clearly the aggressor from the beginning. In the fourth round he knocked down Choi, 25, three times. In the eighth Galaxy sent the challenger to the canvas again with a flurry of punches; referee Larry Rozandilla of the United States stopped the fight 56 seconds into the round.

Galaxy is now 37-1, while Choi is 15-4.

### Waquoit Takes Jockey Club Gold Cup

ELMONT, New York (NYT) — Waquoit splashed to a 15-length victory Saturday in the \$1,063,000 Jockey Club Gold Cup on a Belmont Park track so sloppy that two Kentucky Derby winners were scratched from the card.

Alysheba, last year's Derby winner and earner of \$4.9 million in his career, would have been the Gold Cup favorite but was withdrawn from the race an hour before post time.

Winning Colors, the three-year-old filly who won the 1988 Derby, was an early scratch from the Rare Perfume Stakes earlier on the program. That race was won by Topcount.

Waquoit, ridden by José Santos, led the race throughout, and the starters were far apart at the finish. Personal Flag was second, followed by Easy N Dirty and Crème Fraiche.

### Piggott Will Be Released This Month

LONDON (AFP) — Lester Piggott, the former British champion jockey who was jailed for tax evasion, will be released later this month, a spokesman for the Home Office said Sunday.

The spokesman said that Piggott, 52, would be freed on parole. He has served one year of his three-year sentence after pleading guilty to not paying taxes on about \$5.1 million in earnings.

"The Home Secretary has accepted a recommendation that Mr. Piggott be granted parole," said the spokesman, who denied that the nine-time winner of the Derby had been given preferential treatment. "Prisoners become eligible for parole after they have served a third of their sentence and Mr. Piggott is now eligible," he added. "His case has been dealt with perfectly normally."

### Quotable

• Bjorn Mittmo, a Swedish placekicker for Appalachian State, on his first impressions of U.S. football: "I couldn't even understand why they call it football. The ball and the foot only meet five percent of the time. . . Soccer gets quite rough once in a while, and here I had all these pads and a helmet on and I didn't get to hit anyone." (UPI)

# Redskins Roll Past Dallas; Rams Shut Out Falcons

Compiled by Our Staff From Dispatches  
IRVING, Texas — Kelvin Bryant and Mark Rypien combined to turn three second-quarter turns

overs into touchdowns and help Washington roll to a 35-17 National Football League victory over Dallas here Sunday.

Bryant, reduced to backup status behind Super Bowl standout Timmy Smith, scored three times in

helping the Redskins beat the Cowboys for a record fourth straight time. Bryant ran for 114 yards, caught two of Rypien's three TD passes and totaled 82 reception yards. Bryant's first touchdown, of a 24-yard fourth-period pass, ended a brief Dallas comeback hope.

The Redskins claimed five turnovers in climbing to 3-3 while the Cowboys dropped to 2-4.

The score was 7-7 early in the second quarter when Washington linebacker Monte Coleman intercepted a Steve Feller pass and returned it for an apparent touchdown; the score was wiped out by a clipping penalty, but four plays later Rypien put Washington ahead for good on a 10-yard pass to Bryant.

kickoff by Terry Orr led to a 19-yard scoring run by Rypien.

Washington's first touchdown, which tied the score at 7, came on a 13-yard throw from Rypien to Gary Clark. Bryant's final TD came with 9:44 to play after the Cowboys had cut the deficit to 11 points.

Dallas scored on a 1-yard run by Tim Newsome in the first period, a 45-yard Roger Ruzek field goal in the second quarter and a 35-yard pass from Feller to Kevin Martin early in the fourth period.

Rypien, starting for the third time since Doug Williams underwent an appendectomy, completed 13 of 20 passes for 187 yards.

Rams 33, Falcons 0: In Atlanta, Jim Everett passed for 234 yards and three touchdowns and Greg Bell ran for 155 yards and scored once as the Los Angeles Rams crushed the Falcons.

The Rams scored on five of six first-half possessions, failing only

when Everett had a pass intercepted at the goal line, and Kevin Greene led a swarming defense that recorded nine sacks, three by Falcons. The 5-1 Rams limited the Falcons (1-5) to only 23 yards in total offense until Atlanta put together an 84-yard drive that ended early in the fourth quarter when Greene intercepted a Steve-Dis pass.

Everett's TD passes covered 54 yards to Henry Ellard and four yards to Buford McGeer in the second quarter and 21 yards to Peter Holoman in the third.

Washington 14, Buccaneers 13: In Minneapolis, Anthony Carter caught seven passes for 82 yards, scoring one touchdown and setting up another, as Minnesota rallied to edge Tampa Bay.

Carter's diving 11-yard reception preceded Allen Rice's 1-yard scoring run with 2:49 left in the third quarter, putting the Vikings ahead, 14-10. Minnesota began the drive on Tampa Bay's 16 after David Howard returned a James Wilder fumble 33 yards. That was the fourth turnover — two by each team — in a 34-minute span of the third period.

Seahawks 16, Browns 16: In Cleveland, Curt Warner ran for 38 yards and one touchdown and Norm Johnson kicked three field goals to lead Seattle past the Browns, who lost their third quarter of the season, Mike Pagnall with a separated shoulder.

Cleveland moved the ball reasonably well in the first half until Pagnall was hurt making a tackle on Paul Moyer's 62-yard return of a blocked field goal.

Don Strock, the former Miami backup signed by the Browns after Bernie Kosar and Gary Danielson were hurt last month, was unable to produce any points until Matt Barb kicked a 23-yard field goal with 2:40 left in the game.

Oilers 7, Chiefs 6: In Houston, backup quarterback Brent Pease, frustrated by three interceptions earlier in the game, ran four plays for a third-quarter touchdown that rallied the Oilers past Kansas City.

Pease, who replaced injured Cody Carlson late in the first period, spiked the ball in the end zone at the end of a 63-yard drive with 2:42 left in the quarter.

Packers 45, Patriots 3: In Milwaukee, Brent Faulkner ran for three second-half TDs and the Packers intercepted five New England passes to give Green Bay its victory of the season. (AP, AP)

# UCLA and USC Breeze to 5-0; LSU Upsets Auburn

Compiled by Our Staff From Dispatches  
LOS ANGELES — Rodney Pette threw 59 yards to John Jackson for the first of three Southern California touchdowns following Oregon turnovers in the first half.

Meanwhile, in Pasadena, Troy Aikman threw four TD passes to lead No. 2 UCLA to its fifth straight victory, 38-21 over Oregon State. Aikman completed 24 of 36 passes for 288 yards with two interceptions.

UCLA and USC are both unbeaten at 5-0; USC has a 3-0 conference record, while UCLA is 2-0.

Tailback Steven Webster took a toss five yards off tackle for Southern Cal's second touchdown and tailback Scott Lockwood scored on a 1-yard drive over the top to give the Trojans a 21-0 halftime lead.

A fourth straight Oregon turnover set up Quin Rodriguez's 26-yard field goal with 9:43 to play in the third



Sooner quarterback Jamelle Hollieway, fighting heavy traffic against Texas. Oklahoma won, 28-13.

## Columbia Ends Streak Of Futility

Compiled by Our Staff From Dispatches  
NEW YORK — After five years, Columbia University finally tasted the thrill of victory with a 16-13 victory over Princeton here Sunday.

It was Columbia's first triumph in 47 games — since a now legendary 21-18 defeat of Yale on Oct. 15, 1983. It tied Bucknell and Dartmouth later in 1983, but then lost 44 in a row, a major-college record.

Greg Abruzzese ran for 182 yards and Solomon Johnson scored from two yards out with 5:13 to play as the Lions, losers since 1983, amazed 5,420 fans sitting in a cold drizzle.

"This time we didn't turn the ball over," said Larry McElreay, the proud coach. "We played football the way it's supposed to be played."

On the game's final play, Princeton's Chris Lutz, was short on a 48-yard field goal — his first miss of the season. Fans unused to celebrating stormed onto the field, tore down both sets of goal posts and smeared themselves with mud. (AP, NYT)

## COLLEGE FOOTBALL

quarter, his first of three that period. Elsewhere, Louisiana State knocked off No. 4 Auburn and No. 11 Florida and No. 14 Alabama were stumped at home.

LSU 7, Auburn 6: In Baton Rouge, Louisiana, Tommy Hodson hit Eddie Fuller on an 11-yard fourth-down scoring pass with 1:41 left to lift LSU. Hodson, stifled most of the night by a smothering defense, mistimed on three passes from the Auburn 11, but on fourth down he rolled out and found Fuller in the back of the end zone to cap a 75-yard drive. David Brown's extra point provided the winning margin.

Memphis St. 17, Florida 11: In Gainesville, Florida, freshman Xavier Crawford ran 11 yards in the third quarter for the go-ahead yard. It was Florida's first loss in six games, while Memphis State improved to 3-3.

Mississippi 22, Alabama 12: In

Tuscaloosa, Alabama, Shawn Sykes ran 56 yards for a score in the third quarter and 12 yards for another in the fourth to put Mississippi ahead, 13-12, with 46 seconds left. Darron Billings ran for the two-point conversion and a 15-12 edge. After the Rebels recovered a fumble, Joe Mickles ran 18 yards with 21 seconds remaining to sew up Mississippi's first victory over Alabama.

Oklahoma 28, Texas 13: In Dallas, a 26-yard interception return for a TD by linebacker Kert Kaspar in the third quarter boosted No. 10 Oklahoma to a 4-1 record.

Notre Dame 30, Pittsburgh 20: In Pittsburgh, sophomore Tony Brooks rushed for 102 yards and four other Notre Dame runners scored to give the fifth-ranked Irish a 5-0 record. Pittsburgh, after starting the season with two victories, has lost three straight.

Arkansas 31, Texas Tech 10: In Little Rock, Arkansas, Barry Fetter ran for 83 yards and a touch-

down on 13 carries and Arkansas registered 307 yards rushing.

Michigan 17, Michigan State 3: In Ann Arbor, Michigan, punter Mike Gillette ran 40 yards for a third-quarter touchdown to help lift the Wolverines.

Washington 10, Arizona State 0: In Tempe, Arizona, Aaron Jenkins ran for 116 yards to lead Washington. In the first half, ASU was intercepted three times, fumbled twice, missed two field goals and had two kicks blocked. (UPI, AP)

## ACROSS

- 1 Nervous
- 5 Hidey-hole treasure
- 10 Priestly vestment
- 13 Like a pittance
- 14 Earth tone
- 15 Barnyard noise
- 16 Genesis figure
- 17 July 4 noisemaker
- 20 Bellhop's expectation
- 21 Become awry
- 22 Body of troops
- 23 L. Frank Baum's City
- 25 Walks proudly
- 27 Like a villain
- 28 Not sharp
- 29 Juan's buddy
- 31 Move capriciously
- 32 Shakespearean exclamation
- 35 Certain Latin lands
- 39 Chopper
- 40 "Shteen
- 41 Noted taxographer
- 42 Large antelope
- 44 Muni or Newman
- 45 Be playful
- 47 Tops in celerity
- 50 Groundwork
- 51 Sound-speed ratio number
- 52 Prolound reverence
- 53 Baloney
- 56 — the Terrible
- 57 Wrath
- 58 A deadly sin
- 59 Tear violently
- 60 Bolivan export
- 61 Saiboot's propellants
- 62 Inquires

10/10

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## WEATHER

| EUROPE    | HIGH |    |    | LOW |    |    |
|-----------|------|----|----|-----|----|----|
|           | C    | F  | W  | C   | F  | W  |
| Madrid    | 21   | 70 | 19 | 10  | 50 | 50 |
| Athens    | 22   | 72 | 18 | 10  | 50 | 50 |
| Paris     | 15   | 59 | 10 | 5   | 41 | 41 |
| Berlin    | 11   | 52 | 8  | 4   | 39 | 39 |
| Rome      | 18   | 64 | 10 | 5   | 41 | 41 |
| London    | 11   | 52 | 8  | 4   | 39 | 39 |
| Stockholm | 14   | 57 | 4  | 3   | 37 | 37 |
| Helsinki  | 15   | 59 | 4  | 3   | 37 | 37 |
| Oslo      | 15   | 59 | 4  | 3   | 37 | 37 |
| Warsaw    | 12   | 54 | 4  | 3   | 37 | 37 |
| Prague    | 12   | 54 | 4  | 3   | 37 | 37 |
| Budapest  | 12   | 54 | 4  | 3   | 37 | 37 |
| Brussels  | 12   | 54 | 4  | 3   | 37 | 37 |
| Amsterdam | 12   | 54 | 4  | 3   | 37 | 37 |
| Frankfurt | 12   | 54 | 4  | 3   | 37 | 37 |
| Zurich    | 12   | 54 | 4  | 3   | 37 | 37 |
| Geneva    | 12   | 54 | 4  | 3   | 37 | 37 |
| Vienna    | 12   | 54 | 4  | 3   | 37 | 37 |
| Stockholm | 12   | 54 | 4  | 3   | 37 | 37 |
| Oslo      | 12   | 54 | 4  | 3   | 37 | 37 |
| Warsaw    | 12   | 54 | 4  | 3   | 37 | 37 |
| Prague    | 12   | 54 | 4  | 3   | 37 | 37 |
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| Amsterdam | 12   | 54 | 4  | 3   | 37 | 37 |
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| Stockholm | 12   | 54 | 4  | 3   | 37 | 37 |
| Oslo      | 12   | 54 | 4  | 3   | 37 | 37 |
| Warsaw    | 12   | 54 | 4  | 3   | 37 | 37 |
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| Stockholm | 12   | 54 | 4  | 3   | 37 | 37 |
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| Warsaw    | 12   | 54 | 4  | 3   | 37 | 37 |
| Prague    | 12   | 54 | 4  | 3   | 37 | 37 |
| Budapest  | 12   | 54 | 4  | 3   | 37 | 37 |
| Brussels  | 12   | 54 | 4  | 3   | 37 | 37 |
| Amsterdam | 12   | 54 | 4  | 3   | 37 | 37 |
| Frankfurt | 12   |    |    |     |    |    |



MONDAY SPORTS

A's Complete Sweep of Red Sox; Mets Rally After Howell Is Ejected

OKLAND, California — The Oakland Athletics completed a four-game sweep of the Boston Red Sox...

The first player to hit 40 home runs and steal 40 bases in the same season, Canseco singled in the eighth against Lee Smith...

Barrett opened the sixth with a walk and took second on Wade Boggs' single. Mike Greenwell's forced out put runners at first and third...



Dodger reliever Jay Howell, surrendering his glove to umpire Joe West in Saturday's eighth inning.

By Joseph Durso NEW YORK — Saturday was cold, rainy, slippery and tingling. And it was bizarre.

NL PLAYOFFS: GAME 3 The Mets suffered some of these strange circumstances and explained others before rallying for five runs in the eighth and nipping the Los Angeles Dodgers, 6-4...

Wendelstedt ordered Howell out of the game. The crowd and the Dodgers went wild.

With his top reliever suddenly out of the game, Dodger Manager Tom Lasorda brought in Alejandro Pena — whose first pitch was ball four to McReynolds.

In Game 3, Boston Fails To Hold Early 5-0 Lead

By Richard Justice Washington Post Service OKLAND, California — The walls closed in on the Red Sox Saturday night as the Athletics rallied to win Game 3 of the playoffs...

sent home early. Boddicker's exit was only slightly slower than that of Bob Welch, who allowed five runs and six hits in 1 1/2 innings.

Yankees: Piniella's Out, Green's In

By Murray Chass New York Times Service NEW YORK — George Steinbrenner, as expected, changed managers late Friday for the 16th time in his 16 years as principal owner of the New York Yankees.

when Woodward was the Yankees general manager. When Piniella replaced Martin, the Yankees had a 40-28 record and were in second place...

Green, who compiled a 20-22 record as a major league pitcher in the 1960s, mostly with Philadelphia, managed the Phillies to the World Series championship in 1980...

Chernobyl



Chernobyl

of Chernobyl The evacuation of the area around the nuclear power plant in Ukraine is continuing...

of Chernobyl The evacuation of the area around the nuclear power plant in Ukraine is continuing...

Promoter Firm on Tyson Fight Site

By Phil Berger New York Times Service NEW YORK — Mike Tyson's training for his heavyweight title defense against Frank Bruno Dec. 17 is expected to be delayed as the champion meets this week with his attorney, Howard Weitzman...

anybody. He wouldn't be scared if you brought Joe Louis back. The re-emergence of King was particularly surprising among the enemy that he and Clayton developed...

anybody. He wouldn't be scared if you brought Joe Louis back. The re-emergence of King was particularly surprising among the enemy that he and Clayton developed...

Election

Election The Pakistani government is expected to announce the results of the general election...

Baseball

Baseball The American League and National League playoffs are in progress...

Football

Football College football games are scheduled for this weekend...

Hockey

Hockey NHL Standings and playoff schedules are provided...

Soccer

Soccer English First Division, French First Division, and Italian First Division results are listed...

Tennis

Tennis MERS TOURNAMENTS and Women's Tournament results are provided...

Scoreboard

Scoreboard table with columns for Baseball, Football, Hockey, and Soccer. It lists various games and their results.

Transition

Transition American League, Philadelphia, and other sports news items.

Americans Living Outside USA

Americans Living Outside USA Earn high tax-sheltered interest in U.S. Dollars. US Tax laws now preserve generous tax-breaks for money invested in U.S. life insurance.



POSTCARD Yuppies In the Ring

By Katherine Bishop
OKLAND, California — Sweat pouring from his brow, John Raymond delivers a series of staccato jabs to the speed bag hanging in King Boxing Gym...

Billy Wilder: Wit Versus Age

By Aljean Harmetz
LOS ANGELES — If Billy Wilder could hide the fact that he is 82 years old, he would, Hollywood pays homage to old age but does not appreciate it...



Billy Wilder at 82: "If I can't direct, I will write and produce."

tion that traces the American careers of that group. He was vain enough to search for his section first, but sardonic enough to mock his eagerness...

LANGUAGE Quarreling Over DebatermanShip

By William Safire
WASHINGTON — The Latin root for the word "debate" is the same as that for "battle: battare, "to beat," as in whacking your opponent over the head...

Russians, who have more forces in Europe than we do and have them much closer to what might be a front line, to pull back more forces; I hastily put the two words back in the printed text and the Soviet negotiators never knew...

PERSONAL MESSAGES, MOVING, ANNOUNCEMENTS, STOP SMOKING, REAL ESTATE, EMPLOYMENT, AUTO SERVICES, AVIATION, THE COBURG HOTEL, Kiosk, Rockets Kill 25 In Afghanistan

INTERNATIONAL HERALD TRIBUNE Classifieds: REAL ESTATE TO RENT/SHARE, EMPLOYMENT, AUTO SERVICES, AVIATION, THE COBURG HOTEL, Kiosk, Rockets Kill 25 In Afghanistan

INTERNATIONAL HERALD TRIBUNE Classifieds: REAL ESTATE TO RENT/SHARE, EMPLOYMENT, AUTO SERVICES, AVIATION, THE COBURG HOTEL, Kiosk, Rockets Kill 25 In Afghanistan

Global Newspaper, The Global Newspaper, Kiosk, Rockets Kill 25 In Afghanistan, General News, Fashion, Business, Finance, THE COBURG HOTEL, Kiosk, Rockets Kill 25 In Afghanistan